

Mr. DUNNING: You are surrendering nothing.

Mr. STEVENS: There is another point. In section 4 we make the dominion the sole judge as to the rights or merits of a creditor. It is easy to understand a condition where, a bank or some other great financial institution having made a loan, guaranteed by the dominion, to a province, in the opinion of the people of the province, supporting their government by an overwhelming vote, that institution might be held to be unreasonable in their attitude and unfair in their treatment of that province.

Mr. DUNNING: That is not the point.

Mr. STEVENS: Wait a minute. The minister always jumps ahead of me. My mind is not quick enough for his nimble intelligence. I say that a condition of that kind might arise. But under this legislation the government of Canada is really the sole judge of whether the creditor is right or the province is right.

Mr. DUNNING: No; whether a default has occurred.

Mr. STEVENS: What is default? There is such a thing as technical default. I submit to the minister that such a thing as technical default has very little merit. Let us come face to face with conditions. In 1937, with four or five hundred million dollars due, are you going to pay it? The minister knows perfectly well we are not going to pay it.

Mr. DUNNING: Surely we are.

Mr. STEVENS: The minister should not quibble. He will pay it by using the credit of Canada to renew it, or make another issue.

Mr. DUNNING: We shall borrow it and pay the existing holders.

Mr. STEVENS: Let us get down to individuals. If I have a mortgage coming due to-morrow, and I happen to have credit enough to borrow a similar sum, and so meet the mortgage, I am not paying it.

Mr. DUNNING: Of course.

Mr. STEVENS: It is simply a renewal of the mortgage.

Mr. DUNNING: But it is not a default.

Mr. STEVENS: I say this, that there might be circumstances in connection with a province where they could not pay, or there might perhaps be some term in the arrangements which could be legally interpreted in such a way that a technical default would arise. There is no doubt in my mind

[Mr. Stevens.]

that the people of this country want to pay their debts. That impulse is deeply rooted in the hearts and minds of the Canadian people. But they also have a feeling that there is a degree of injustice in the weight of the debt, due to higher rates of interest and other circumstances. I was a little surprised at the refusal of Alberta and British Columbia to accept the proposals of the minister, but as I studied this resolution I began to appreciate their feelings of alarm, and to realize that they had good grounds. It is not that an individual minister or the present government is going to be unfair or unjust, but it is the apprehension which enters their minds as to the future if they place themselves under the terms of this legislation. I do not blame them for this feeling, and I submit in all earnestness that this resolution should be very carefully reconsidered before the government asks parliament to pass it. And when the parliament of Canada ask for an amendment to the British North America Act there should be a reasonable degree of unanimity with regard to it. There should be at least assurance not that some particular minority is safeguarded but that the change carries the judgment of the people of this country, and if two provinces have already indicated their alarm or fear—

Mr. DUNNING: They are both agreeable to this legislation passing, and have so expressed themselves.

Mr. STEVENS: Well, the minister knows, and I have to accept his word in that regard.

Mr. DUNNING: I assure my hon. friend that is so.

Mr. STEVENS: I am not disputing it for one moment; it is news to me; that is all I can say. But I would say that if there is any body of opinion expressed in this house; if there is an apparent division of opinion, there should be great hesitancy in asking for an amendment to the British North America Act. I assure the minister and the government that I am not opposing this resolution on any frivolous grounds. I earnestly feel an amendment should not be asked which purports to deal with a major outstanding difficulty between the provinces and the dominion unless it adequately meets that problem, which I do not think the resolution does. In the second place I submit that sections 2 and 3 are not necessary, because I fully accept the argument of the right hon. leader of the opposition (Mr. Bennett) that we already have the power to make these agreements. In the third place I submit that in section 4 we are going too far in placing in the hands of the