

Mr. KINLEY: I would move that as an amendment.

The CHAIRMAN: We will have to put the motion to a vote.

Hon. Mr. STEWART: Mr. Kinley has expressed very clearly the thoughts that were in my mind regarding this. It seems to me that your explanation just now renders any action by this committee at this time absolutely unnecessary.

The CHAIRMAN: Exactly.

Hon. Mr. STEWART: It may appear to be a minor matter, but let us see where it leads or the direction in which it tends. At this time when there is abroad in the world a spirit of repudiation of solemn obligations, national, international, individual and when there is a spirit of Nazism abroad, it seems to me we ought to consider very, very seriously the possible effect that even a minor suggestion such as this might have. Mr. Young speaks about the Farmers' Creditors Arrangement Act. There has been a lot of criticism about it in the house; but remember, Mr. Chairman, that it was based on one principle, and that was the insolvency of the farmer, his absolute inability to meet his obligations. That is the foundation of it altogether. It was built upon that. In order to save the expense, the loss to the farmer going through bankruptcy by the greater part of his assets being dissipated and consumed in costs, as in ordinary bankruptcy, this scheme was devised, for the benefit of the creditors as well as for the benefit of the farmer; and the costs of bringing about the settlement or the distribution of his assets were paid by the government. That is altogether a different foundation and a different principle from what exists in this case, I submit. Surely we are not insolvent.

Mr. HANSON: We soon will be if a remedy is not found.

Hon. Mr. STEWART: What is that?

Mr. HANSON: The Canadian National Railways will soon be insolvent if some remedy is not found.

Hon. Mr. STEWART: I am not speaking of the Canadian National Railways; I am speaking about Canada, because this is an obligation of Canada. This will be misunderstood. In Great Britain I am sure it will be misunderstood; and it will have, in my opinion, a detrimental effect altogether out of proportion to any possible benefit or advantage that we can derive from it. I believe from what you say, Mr. Chairman, that the finance minister and the government have adopted a policy of going out and buying them where they can.

The CHAIRMAN: They have gone further than that. The minister has just informed you that a special officer of the Department of Finance is now in England, as a matter of fact, studying this matter.

Hon. Mr. HOWE: Has been in England.

The CHAIRMAN: Yes, has been in England.

Hon. Mr. STEWART: Yes. I understand the policy is that when they go on the market they can buy them and take them in.

The CHAIRMAN: Yes.

Hon. Mr. STEWART: That is sound. There is no objection that whatever. Possibly a voluntary conversion might be brought about as has been done in respect to some other liabilities. But to go on record that we, as a committee, favour the action that is being suggested seems to me to be a serious step and one that may be attended with serious consequences at this particular time and in the future. I do think we would be well advised to take no action whatever, in view of the action that we have taken in previous years and the action that the government is taking as a result of the suggestions of previous years.

The CHAIRMAN: Of course, we were not aware when this motion was made that the finance minister had taken steps to comply with the recommendation made by this committee. In view of this fact, will you withdraw your motion, Mr. Vien? Or do you still persist in it?