

those who are disabled. This government votes large sums of money for pensions to war veterans and their dependents. But for those pensions, countless numbers who are now receiving pensions would, through no fault of their own, be in need of assistance, and they are saved from falling into the ranks of the unemployed by the money which is voted by this parliament for pensions. In addition, the Department of Pensions and National Health is spending large sums to help necessitous cases amongst the war veterans, and to that extent we are also contributing towards the relief of unemployment in the different provinces.

Mr. ADSHEAD: Is not that a purely national question?

Mr. MACKENZIE KING: I am saying that as a federal parliament we have been glad to assume this obligation, and rightly so, I believe, but I am pointing out that to the extent to which we assume that obligation, the money that is taken from the federal treasury is helping to relieve the problem of unemployment in the provinces. We are helping in that way within our own jurisdiction, but the individuals we help are all citizens of the different provinces, and to the extent to which we are voting money for pensions to returned soldiers and their dependents and for the disabled and necessitous cases we are helping the provinces in the solution of the unemployment problem. I have no desire whatever to shirk responsibility in the matter of helping to solve the unemployment problem, but the way to solve it is for each of us within our own jurisdiction to do our own part to avoid unemployment and look as far as may be possible after those who would otherwise become a public charge.

May I venture a further instance as a case in point? The Canadian National railways look to this parliament to make good any deficits that arise on the operation of the railway. When it was seen that the crop was not likely to be moved as early as was anticipated and that there was a gradual slacking in transportation in different parts of the country, the railway companies had to consider whether they would cut down their staffs and let out a number of their employees. In their own interests they might have taken a drastic step by immediately letting out of employment large numbers of men.

Mr. HANSON: That is exactly what they did.

Mr. MACKENZIE KING: I believe one of the companies did.

Mr. ADSHEAD: They discharged them in Calgary without a moment's notice.

Mr. MACKENZIE KING: I understand that the Canadian Pacific railway did let out a large number of its men. The Canadian National railway, from a strictly business point of view, might have done the same thing, but Sir Henry Thornton and his directors considered the question from the broader point of view of the employment situation within the country. They took the view that even if the revenues of the railways were to suffer to a certain extent, it would be better rather than dismiss them to keep on the payroll a large number of employees.

Mr. ARTHURS: Will the right hon. gentleman permit a question?

Mr. MACKENZIE KING: Yes.

Mr. ARTHURS: Does he contend that the Canadian National Railways are employing their men at the various divisional points for transportation purposes in the same degree as formerly?

Mr. MACKENZIE KING: I am not saying to the same degree.

Mr. ARTHURS: Then the remainder must be out of employment.

Mr. MACKENZIE KING: I am telling the house exactly what took place when some months ago the Canadian National Railways were confronted with the question whether they would let out a large number of their employees.

Mr. ARTHURS: Which they did.

Mr. MACKENZIE KING: Sir Henry Thornton took the view that instead of letting out a large number of men, it would be preferable, from the national point of view, that these men should be kept on, as largely as possible, even if the revenues of the railway suffered to a considerable extent in consequence of such action. But Sir Henry Thornton also, very rightly I think, took the view that, inasmuch as the railways were government roads and it was the federal treasury that would suffer in the end, he would not be justified in taking that step without conference with the government. Sir Henry Thornton called upon the Minister of Railways and myself and other of our colleagues and asked our views as to whether or not the government would approve an attitude of the kind which he had suggested. We took the position that no greater contribution could be made to avoiding an unemployment problem than to keep at work those who were already employed, and that it would be only helping to accentuate a situation