

considerable expenditures planned by the government on military equipment, all of which will tend to provide purchasing power without at the same time increasing the supply of consumer goods that take up the loose cash in the jeans of our fellow citizens.

Hon. Mr. Vien: Does the honourable senator not consider that the constitutionality of the measure is more strongly supported by the preamble, which deals not so much with the social interest of the nation as with defence preparations?

Hon. Mr. Roebuck: Yes.

Hon. Mr. Vien: After referring to certain possible developments the preamble says:

... and it may therefore be necessary, as a further measure to counteract possible adverse effects of these developments upon such defence preparations . . .

I should think that this aspect, rather than the social welfare aspect, is likely to make the bill constitutional.

Hon. Mr. Roebuck: I think the honourable senator is right. I mentioned both aspects. It may be that one is stronger than the other, but undoubtedly the purpose of the measure is, firstly, social—to restrain rising prices; and, secondly, to influence the flow of commodities into the war effort rather than into the hands of consumers. Obviously, if you decrease the number of buyers or the amount of credit or money or purchasing power in the hands of buyers, less production will flow into consumer goods and therefore more will be available for the war effort.

Hon. W. M. Aseltine: Honourable senators, after listening to the honourable gentleman from Toronto Trinity (Hon. Mr. Roebuck) I have come to the conclusion that this is very unusual legislation and entirely different from any previous measure having a similar objective. I do not intend to go into the constitutional aspect of the bill. I take it for granted that the law officers of the Crown have looked into that matter carefully and have decided that it is within the powers of the federal parliament to pass legislation of this kind.

I have not had much opportunity to examine the bill, for it came into my hands only at 11 o'clock this morning.

Hon. Mr. Roebuck: That was when I got it.

Hon. Mr. Aseltine: Then I must congratulate my honourable friend upon the research he has been able to do in a very short time.

Hon. Mr. Roebuck: That is very kind.

Hon. Mr. Aseltine: No doubt some legislation such as this is necessary at present. Just how necessary it is perhaps cannot yet

be decided. In my opinion the bill has been hurriedly drawn and is far from complete. Senators who have read it will have noticed that it gives the government and the Minister of Finance complete blanket authority to do whatever they think is necessary or whatever they want to do in controlling the buying of consumer goods. In that respect it goes, I think, much farther than any legislation of this kind has ever gone before, and if carried to the extreme it might oblige everyone to pay cash for all purchases. That of course would interfere greatly with the conduct of business in this country.

My remarks will have to do principally with the effect of the bill upon Western Canada. Everyone here knows that up to the 16th of August we had growing in the prairie provinces perhaps the greatest crop of wheat that they have ever produced. It was a magnificent crop, in many cases standing as high as a man's arm pits. The grain was developing into what is known as six-rowed wheat—that is, three rows on each side of the head all the way up—and there was a prospect of harvesting a 40-bushel crop. But on the 16th of August a great calamity hit the Western provinces. That night we had from five to ten degrees of frost, which not only seriously damaged the crop by lowering the grade but reduced the yield to about half of what had been expected. As a result, the Western provinces will have only about a 40 per cent crop, and the farmers will not have much cash. They are going to be obliged to buy machinery, equipment, refrigerators and other necessary articles upon the instalment plan. What effect this measure will have upon these primary producers depends upon how far it goes. Take the young farmer just starting up in business. He must acquire a great variety of machinery, an automobile, a truck, and perhaps a combine. If he is to carry on at all, he must buy those goods on the instalment plan. I do not know whether this bill permits him to borrow money at the bank or not, in order to pay cash for the goods. My honourable friend from Toronto-Trinity (Hon. Mr. Roebuck) indicated that the provisions of this bill might bar him from doing that.

Hon. Mr. Roebuck: There is power to do so.

Hon. Mr. Aseltine: Subsection 1 of section 3 of the bill gives the Governor in Council absolute power to make regulations. I am pleased, however, that it does not interfere with the usual practice of instalment buying of land. As honourable senators know, land is often bought with a small down payment, the balance being paid either by instalments of cash over a term of years or by crop payments. Though farm lands may still be