

Columbia give the city council of Vancouver that extraordinary power because of any radicalism or dangerous conception of monetary reform? Not at all; it was the only way in which that city could carry through.

Yes, the city council increased the taxes of Montreal by \$8,000,000 last year. Has that seen the city of Montreal through? Has borrowing in Winnipeg, in Toronto, in Montreal, to meet the most dangerous form of current expenditures, those for unemployment relief, solved the problem in those cities? Not at all; in those cities to-day the cost of financing borrowings for unemployment relief is almost as great as the annual cost of that relief. I have every reason to believe that as a result of the trade agreement negotiated between the United States and Canada much improvement will come about in the lumber industry of British Columbia, and that conditions will be very greatly improved in regard to that industry. But I want to go further and say that, splendid and all as that may be, there cannot be a solution of this problem unless a much greater responsibility is assumed by the federal government in the rehabilitation of the whole financial structure of the Dominion of Canada.

Now, let me say one further word. The right hon. Prime Minister asked some member on the other side of the house what industries this government should take over. Well, speaking as a Liberal, I thought we came here to take over from the Bank of Canada the industry of manufacturing Canadian capital. I want to go further and say that until such time as we are prepared to vest in the government of this dominion the power to create, issue and regulate currency and credit in terms of public need, there will be no solution of either the tax, the debt or the unemployment problems in the Dominion of Canada.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. BENNETT: Mr. Chairman, I listened with great interest to the discussion this afternoon which apparently dealt with every phase of the measure before the committee. I find it necessary to correct at least some misapprehensions on the part of the right hon. gentleman. Surely he used to be very strong in his admonitions as to the care which should be taken in expressing views with respect to these matters. I therefore find it less excusable that

[Mr. McGeer.]

the misstatements made this afternoon should have been continued. Apart altogether from the desirability for accuracy characterizing discussions on questions of this kind one would have thought he would have been particularly careful, in view of the way he spoke the other evening about this matter, to be accurate in the observations he made to the committee this afternoon. It would be well to deal with one at once, without delay.

Mr. MACKENZIE KING: What did I do the other evening?

Mr. BENNETT: In the language of one of my colleagues, I would advise him to read the speech.

Mr. MACKENZIE KING: My right hon. friend is surely confusing me in his mind with the Minister of Agriculture.

Mr. BENNETT: Not at all. They are not yet in the same class. I was about to observe that this afternoon I suggested to the Minister of Labour that he had made no provision for payment of the secretary, whereupon the Prime Minister said that the section had been copied from the statute dealing with the tariff board.

Mr. MACKENZIE KING: I beg my right hon. friend's pardon; I did not say "copied"; I said that it was a similar draft.

Mr. BENNETT: We will put it that way—a similar draft. I stand corrected, and I am glad the right hon. gentleman has corrected me. It was a similar draft, then. Now, that was calculated to leave in the minds of the committee one impression, namely that the statute creating the tariff board did not provide for the salary of the secretary. I turn to that statute, section 8, subsection 3, and read:

The secretary shall be paid an annual salary of \$6,000.

That was the provision made by parliament in dealing with the matter. In these days one has to rely upon one's memory and I am never certain of my memory. I did, however, have a recollection that such a provision was in the Tariff Board Act, and there it is. The provision about the secretary is that he shall be a secretary to the board, "who shall be appointed by the governor in council." Then, his duties are outlined, and there is then the provision that he shall be paid an annual salary of \$6,000.

Mr. MACKENZIE KING: I was quoting the corresponding section to this one.

Mr. BENNETT: Yes; but if it had been left at that the impression would have gone out that in the Tariff Board Act no provision