

Some employers will grind their workmen right down into the mud, into a condition of slavery; but that is no reason why the government should follow suit.

Mr. MANION: We are not doing that.

Mr. HEENAN: I know he would be one of the last men to follow in that line. While the fair wages legislation of 1930 mentions "the prevailing rate of wages," it empowers the Minister of Labour to declare that the prevailing rate shall not be taken as the standard unless it is fair and reasonable. I am not going to argue the matter any further in view of the minister's promise that he will give it further consideration. Unfortunately he was not in the house when the Prime Minister and the Minister of Finance made certain statements in connection with this very same matter. Undoubtedly other employers of labour in that particular section will take advantage of the government's attitude to seek to reduce their labour wages another ten per cent, and therefore I would ask the minister to give the subject very careful consideration.

Item agreed to.

Welland canal, improvements (revote \$10,700), \$25,900.

Mr. GARDINER: This is the old canal, I presume. What improvements are you making there?

Mr. MANION: Yes, it is. Certain water powers and docks have to be kept up under a contract.

Item agreed to.

Welland ship canal, improvements, \$125,000.

Sir EUGENE Fiset: What is the reason for providing this item when we have already provided for construction and betterments, \$3,123,400?

Mr. MANION: This is for a wharf on the east side of the canal at Welland, \$100,000, and the balance of \$25,000 is for the completion of a dock at Homer, just outside St. Catharines. We get wharfage fees from these docks.

Mr. VENIOT: I notice the following despatch in the Montreal Daily Star of this date:

Manion asserts shipway urgent. Traffic will be diverted to N.Y. ports says minister.

Toronto, April 22.—Warning that unless the St. Lawrence river were developed, downbound traffic on that waterway might be diverted via the ports of Oswego and Albany, N.Y. through the United States, was given last night by Hon. R. J. Manion, Dominion Minister of Railways and Canals, when he addressed the Toronto Transportation Club.

Is that a forecast of the policy of the government in connection with the deepening of the St. Lawrence waterway? Perhaps the minister is not in a position to answer my question to-night.

Mr. MANION: Oh yes, I remember the speech very well. I think it worth while for the people of Quebec to be reminded there is danger if the St. Lawrence ship channel is not constructed that traffic will be diverted through Oswego and Albany down the Hudson river and out by New York. That is the sum and substance of what I said. I did not discuss the policy at all. I merely pointed out that if the St. Lawrence waterway were not constructed there was that danger, and I quite adhere to that opinion. I think there is that danger which it is well for all of us to keep in mind.

Mr. VENIOT: I quote another paragraph from the minister's address:

Outlining the railway situation in Canada, Dr. Manion told the Transportation Club that in his opinion the Canadian National Railways would never be able to pay its debt to the Canadian government. Occasionally editorial writers, he said, "take the attitude that because facts are told we are doing damage to our railway situation in this country. I do not see what good it does the railways of Canada metaphorically to stick our heads in the sand and not see our troubles."

I agree with the minister that we should view our troubles in the proper way, but I am afraid from the minister's assertion expressing fears of the attitude of the United States that some of that red Canadian blood has gone out of him.

Mr. MANION: Not a bit.

Mr. VENIOT: Not a bit? I take it that the minister was speaking on behalf of the government, as a cabinet minister at all events, not simply giving his own opinion, and apparently he is basing the policy of the government on what looks to be a threat from the United States. If anything is to be done in Canada because of threats coming from the republic to the south of us, I think we ought to know it.

Mr. MANION: I did not mention any threat from the United States. I merely pointed out the possible danger which is recognized by many. I was not telling anybody in the United States anything that he does not already know. Regarding my remarks about the railway, I have nothing to withdraw. They are practically the same remarks that I made in this house. So far as the debt of the railway to the government of