

moment the full facilities of the Ferguson yard are required and are being used for the repair of ships.

I may say that the understanding I have from my officers with respect to the tug situation is that it was felt that a steel company at Trenton had facilities for building tugs. May I add that tugs of the size we are discussing do not require to be built in a modern shipyard. They usually are built at a number of places along the great lakes and in the St. Lawrence, that are not by any stretch of the imagination shipyards. They are very simple to build, and they cost about \$400,000 each.

Arrangements were made to build two of these tugs at Trenton. A dispute about wages arose, as to whether the tugs should be built on shipyard wages or steel plant wages, and the Trenton plant decided it did not want the tugs built there. Without the knowledge of the department the tugs were moved into the shipyard that had been reserved for repair purposes, or enlarged for repair purposes, at Pictou. The net result of that would be that facilities reserved for repair purposes could be used to build tugs, or for work other than repairs. The whole principle was being established that yards which had been designated to repair ships had the privilege of taking any contracts they liked, and doing it in repair yards. The result was that the contract for two tugs was cancelled, by arrangement with the Ferguson company. Arrangements were made in my office some six weeks ago—

Mr. BLACK (Cumberland): Well, Mr. Speaker—

Mr. HOWE: Just a moment; do I have to be interrupted?

Mr. GRAYDON: Well, Mr. Speaker, I think the minister might be just a little bit more lenient with the hon. member. He has always been very courteous. I think on reflection the minister would not want to cut him so short.

Mr. HOWE: The hon. member must know what I am trying to do—explain something of which I had no notice. I am trying to think of my answer as I go along.

Mr. GRAYDON: He was only trying to help the minister.

Mr. HOWE: Well, I hope so. In any event, arrangements were made in my office some six weeks ago that this contract would be cancelled. I think the total expenditure at that time was less than \$10,000. So far

as the contract is concerned, the representative of the Ferguson company—and I discussed the situation with one of the brothers—seemed to be satisfied with the arrangement that was made at that time.

An attempt is being made to make this incident a political issue. Just to show the proportions of the matter, we are discussing two tugs costing \$400,000 each, in a town where the government has a shipbuilding yard, as well as a ship repair yard, and is contemplating in the current year an expenditure between the two yards of about \$15,000,000. I would ask hon. members who have interested themselves in this situation to have a sense of proportion.

Mr. BLACK (Cumberland): I understood the minister to say that Ferguson Brothers, with whom this contract was placed, approved the cancellation. The representations to me are contrary to that. Secondly, I disagree with the minister when he says that this is in any way political. The representations made by the company, the town and the government of Nova Scotia are unanimous in the request that the contract be continued, and that permission be given to build these tugs in Pictou.

WHEAT

ALLEGED DISCRIMINATION IN PLACEMENT OF CARS

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): Mr. Speaker, I should like to ask a question of the Minister of Trade and Commerce, more or less by way of making a request. In doing so I am following up a question I asked on Wednesday last, as reported at page 4199 of *Hansard*. At that time I asked the minister if he had received any complaints from western Canada with respect to the allotment of cars. I shall not read the whole of what took place at that time, other than to say that the minister replied that he had not heard of any charges of discrimination. He said:

I have had requests from many sources that a different basis of allocating the cars be instituted.

Daily I am receiving complaints, and I received some to-day, protesting against the system being used, one known as the thirty-car cycle. These complaints say that it is not working out satisfactorily. There is an opportunity provided by this system of the grain firms taking advantage of the farmer by undergrading grain. I have reason to believe that the minister has had several requests for changing the system, and I must