

On section 3, subsection 3—Contracts to be approved.

Mr. MACKENZIE (Vancouver): I have an amendment to move, inserting the words "to which the dominion government is contributing" after the word "undertaking" in the first line of this subsection.

The CHAIRMAN (Mr. McPhee): An amendment has been moved also by the Minister of Pensions and National Health, that the words "dominion engineer" be struck out and the words "engineer in the service of the dominion government" be substituted therefor.

Amendments agreed to.

Subsection as amended agreed to.

On section 3, subsection 4—Minister may take action.

Mr. BENNETT: The minister made a most illuminating observation a moment ago, when he suggested that governor general's warrants might be the last recourse. What is the difference between a blank cheque and governor general's warrants?

Mr. FAIR: During the first two or three weeks of this session we sat here and listened to a great deal of sympathy being poured out by members from all over the country for the farmers of the west. As a farmer I sat here and listened to it, knowing from experience that sympathy does not do very much to fill empty stomachs or clothe naked bodies. I thought I would wait until the time came for something practical to be done, and that time has now arrived. In this section we find that the governor in council may enter into agreements with corporations and others engaged in industry respecting the expansion of industrial employment—

Mr. MacNICOL: What section are we on? It seems to me that the discussion is going all over the lot.

Mr. FAIR: Section 4, subsection 1?

Some hon. MEMBERS: No.

Subsection agreed to.

Section agreed to.

On section 4, subsection 1—Agreements with provinces.

Mr. FAIR: I was a little ahead; now I guess I am on time. The argument I have already made should hold now. We find under this section that:

The governor in council may, subject as aforesaid, also enter into agreements with corporations, partnerships or individuals engaged in industry respecting the expansion of industrial employment.

We have been told that agriculture is the back-bone of the country. We are making provision for the railroads to be improved, but a railroad improved without work to do is like a man all dressed up with nowhere to go. That condition exists to-day; there is not nearly enough traffic to keep the railroads busy, but we find them getting guarantees and the national railroads using up a lot of the taxes which agriculture is helping to pay. Agriculture is paying taxes directly and indirectly, helping Ontario and other provinces, Ontario in particular, to pay that forty-five per cent it was suggested here not long ago that Ontario pays, with which suggestion we do not for a moment agree. But I should like to see something done for agriculture. Agriculture is expected to pay its debts; it wants to pay its debts, provided it gets a square deal in comparison with other industries. Recently the farmers of the west who contributed to the stabilization of wheat prices were compelled to accept sixty cents a bushel, without interest, after waiting five years, while the average price for wheat in 1930 was 64.2 cents. Those who furnished that loan were paid interest; the railways got their money out of it; the elevators got theirs. So it is time something practical was done for agriculture.

Mr. CHURCH: I do not understand this clause.

The CHAIRMAN (Mr. McPhee): There is an amendment proposed to section 4. As moved by Mr. Gardiner it is:

That subsection 1 of clause 4 be amended by striking out all the words after the word "may" in line 17 on page 2 to the end of the sentence in line 21, and substituting therefor the following words:—

"By way of loan or advance out of the consolidated revenue fund or by way of guarantee, grant financial assistance to any province to enable the province to provide for any expenditures for direct relief or other relief measures, up to an amount not exceeding in the aggregate the total amount which may be otherwise payable to such province under any agreement entered into under the authority of this act."

Mr. BENNETT: Mr. Chairman, if the previous part of the subsection remains there will be a conflict between the two, as will be seen. It is almost the same wording.

The CHAIRMAN (Mr. McPhee): The section as amended would read:

The governor in council may enter into agreements with any of the provinces respecting relief measures therein and providing for any payments on account of such relief measures to be made out of moneys appropriated for relief purposes by parliament for the fiscal year 1936-37, and where necessary the governor in council may by way of loan or advance out