

not remedied, then I am afraid that the system under which we live will not last very long. For saying that on a number of occasions in speeches that were more or less political, though I have said the same thing in other speeches, before Canadian clubs and elsewhere, I have been accused of being too radical. I repeat, however, that if we do not bring into effect measures which will cure unemployment, measures which will take care of those who are out of work through no fault of their own, I sincerely believe that this democratic system will not continue. In a country such as this, rich in resources, with a sparse population and a huge area, people will not continue indefinitely to put up with conditions such as those under which they live in Canada to-day, with 800,000 people on relief and practically half a million unemployed. And, personally I do not think that they should.

If the British democratic system, not only in Canada, but in the United States, in Great Britain and in France cannot solve the problems that face these countries to-day, then I do not think it is worth saving. I do not believe in the socialism suggested by the Cooperative Commonwealth Federation. I believe in the present capitalist system properly improved to meet the difficulties that exist under it. As I say, I do not believe in socialism. Rather, I want to see the present economic system, the present British democratic system with its parliamentary and other liberties maintained. But I do not think that this system can be maintained unless we cure the evils which exist under it. To me that is a particularly strong argument for something being done about the condition which we are now discussing.

I know that the attitude the government takes is that the trouble lies with the British North America Act; the trouble is in getting that act changed. Well, I do not think that is necessary. Action could be taken by co-operation with the provinces. Mr. Duplessis, the Premier of Quebec, is one of those who have been quoted as opposing any change in the British North America Act, as is his right, but even he, in the last paragraph of his letter dated December 30, 1937, makes a suggestion to the Prime Minister. In the earlier paragraphs of the letter he opposes any change in the act, but in the concluding paragraph he states:

In conclusion, again I state that the province of Quebec is willing to cooperate heartily in the establishment of a sound and fair system of unemployment insurance, which could be established on a national scope, without infringing upon the rights and autonomy of the provinces.

[Mr. Manion.]

I assume the Minister of Labour will deal with that. I admit that it might not be as satisfactory as a national system which could be put into effect if a change were made in the British North America Act; but under the circumstances, with certain provinces refusing to consent to any change in the act, I see no reason why unemployment insurance could not be put into effect along the lines suggested by Mr. Duplessis.

Mr. ROGERS: Is the hon. gentleman aware that in August, 1934, I believe, the government of which he was a member did invite the provinces to attend a conference to consider, among other things, the transfer of jurisdiction over unemployment insurance to the dominion parliament? That conference was never held. The government of which he was a member appropriated in a sense the authority over unemployment insurance. In other words, there was an assertion on the part of the government that the power to enact an unemployment insurance scheme lay with the dominion parliament, and it was against that view that the privy council ultimately gave its decision.

Mr. MANION: I have no quarrel with that. I do not remember the incident, but the hon. gentleman is Minister of Labour and I was minister of railways at the time, so that I am not as familiar with that aspect as he might be. But I do not see that his statement changes the facts. Men like Mr. Bennett, who was a constitutional lawyer, Mr. Guthrie, the hon. member for Leeds (Mr. Stewart), the hon. member for St. Lawrence-St. George (Mr. Cahan), who have all studied the problem in its constitutional aspects, apparently came to the conclusion—a conclusion to which naturally I could take no exception, not being a lawyer—that it was within our jurisdiction; and we thought it was; for we put into effect the legislation from which I have quoted. Incidentally, two judges, Chief Justice Duff and Mr. Justice Davis, both gave judgment in favour of it. They are two of the outstanding judges of the Supreme Court of Canada. Be that as it may, it was declared *ultra vires* by the supreme court, and that decision was upheld by the privy council. That being so, without quarrelling about the question of jurisdiction, I say, let us in fairness and honesty, instead of merely expressing so many theoretical and pious platitudes, put the legislation into effect as suggested by Mr. Duplessis. Let us put it into effect, leaving the right to the provinces to join and participate in its benefits. I venture to say that if that were done, all the provinces would in the near future join and cooperate, for the