

along with other products for the prosecution of this war, and at a price of \$1.25 for the producer, basis No. 1 northern Fort William.

Some reference was made by hon. members who spoke this evening, the hon. member for Qu'Appelle (Mr. Perley) and the hon. member for Weyburn (Mr. Douglas), to the fact that we may yet reach the point where currency might be issued against wheat in storage. I believe that might well be done. It was also pointed out that in future years our storage wheat might be of greater value to us than would be the tremendous amount of gold stored in the vaults of the nation to the south of us. I think that is quite possible.

Turning again to the budget as it was presented, may I observe that I was rather disappointed to find that a liquor tax was not mentioned. It was stated this afternoon by the hon. member for Danforth (Mr. Harris) that ten million quarts of liquor are consumed annually in Canada, and I believe a reasonable tax on that consumption would bring in many millions of dollars to the treasury, and at a time when it is badly needed. To-day certainly liquor is nothing but a luxury. We should also have a small additional tax on gasoline, much of which is used for purposes of luxury. This would bring in considerably more revenue. I think all luxuries should be heavily taxed. Otherwise the budget seems to be quite fair. It probably will bear a little heavily on the small salaried people of this country.

Under the mobilization bill which was passed the other day the government take upon themselves greater dictatorial powers under order in council than have ever been granted to any party government in the world. Notwithstanding that fact, I think the members of this parliament should be taken into their confidence whenever possible. Personally I should like to see parliament assembled at least every ninety days during the conduct of this war. The people of Canada expect at least that from their representatives. It would have a steadying effect upon the people, which I think it is our duty to try to create in a time like this when they are apt to become jittery. With this great power which has been given to the government of the day, I hope they will try to take the elected members of all groups in this house into their confidence as far as possible. We should not go too long without being assembled to look after, not only the conduct and the winning of this war, but the welfare of the people generally.

On motion of Mr. Reid the debate was adjourned.

On motion of Mr. Crerar the house adjourned at 10.55 p.m.

Friday, June 28, 1940

The house met at three o'clock.

CANADIAN NATIONAL RAILWAYS

REFERENCE OF BUDGET, ANNUAL REPORTS AND CERTAIN ESTIMATES TO RAILWAYS AND SHIPPING COMMITTEE

Hon. C. D. HOWE (Minister of Transport): I desire to lay on the table the budget of Canadian National Railways and Canadian National Steamships for the year 1940, and to move:

That the annual budget of Canadian National Railways and Canadian National Steamships, tabled herewith, and the annual reports laid on the table of the house on May 17, 1940, be referred to the standing committee on railways and shipping, together with the following items in the estimates:

445, Maritime Freight Rates Act; 446, Maritime Freight Rates Act; 458, Canadian National (West Indies) Steamships Limited, capital advances; 459, Canadian National Railway Company; 460, Prince Edward Island car ferry and terminals.

Motion agreed to.

EUROPEAN WAR

ANNOUNCEMENT OF LOSS OF H.M.C.S. FRASER ON ACTIVE SERVICE NEAR BORDEAUX, FRANCE

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, with respect to matters having to do with the Department of National Defence I should like to follow the practice of having my colleagues of that department make any announcements that have to be made in connection with that branch of the public service. However, there is one announcement which I feel will touch so deeply the hearts of the public of Canada that on this occasion I might, I think, depart from that rule and myself make the statement which it is necessary to make in the house.

I am greatly distressed to have to announce that, while engaged in the pursuance of hazardous duties off the mouth of the Gironde river near Bordeaux, France, His Majesty's Canadian ship *Fraser* was lost in a collision. One hundred and fifteen of the gallant crew have been rescued. I regret to have to say that forty-five are either dead or missing. The next of kin have already been informed.

His Majesty's Canadian ship *Fraser* has been on active service since the commencement of the war. At a few hours' notice she speeded, in company with another vessel of His Majesty's Canadian navy, from Vancouver to the Nova Scotian coast, via the Panama canal. Since then she has seen arduous