

thinks that 50 per cent is quite safe to advance on ships; and so does my honourable friend the leader of the House. Well, it may be, and it may not be. In the lending of money on real estate, the most that any one will lend is 50 per cent of his own valuation of the property, to be safe; and very often he is not safe. Here you are building ships to-day at double the cost or more than double the cost, at which ships could be built a few years ago, and at a higher cost than ships will be built in other parts of the world with which our ships will have to compete. At the end of four years from the time these ships are completed conditions may have changed very much, with every shipbuilding country on earth straining every nerve to build ships. In England they are building as never before. I am not aware of what France is doing; but, knowing what the French nation are and what they can do, I am satisfied that they are building to the utmost limit. Four years from now the situation may be very different: shipping may be a drug on the market; there may be more ships than you can find freight for; and in that case, I venture to say, those ships will be put on the market and sold, and you may not get anything like 50 per cent of their value.

Hon. Mr. McLENNAN: May I call the honourable gentleman's attention to the fact that under this Bill the ship would practically be paid for in four years.

Hon. Mr. TURRIFF: Honourable gentlemen, I have known many cases in which money, loaned on more secure property than a ship, was to be paid off in five years, perhaps in five equal payments, and was not paid. Suppose the payment is not made—the second payment, or the first payment—what are you going to do? An individual or a company is in a much better position in that case than a government. We all know perfectly well that a government cannot take the extreme measures that the individual will take, and if this Government lend money on a ship and two or three years from now 25 per cent of the loan comes due and is not paid, what are the Government going to do? Simply wait, and let the matter stand. They will not sell the ship immediately. So I foresee the risk of a great loss in connection with this matter.

My honourable friend the leader of the Opposition (Hon. Mr. Bostock) was quite right in drawing a parallel between the

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railroads and the shipping. We guarantee the bonds. My honourable friend (Hon. Mr. McLennan) says there is no comparison. The two cases may not be identical; I do not say they are. But we have learned our lesson.

Hon. Mr. CROSBY: What guarantee did you have for the construction of the Transcontinental?

Hon. Mr. TURRIFF: You have the road, whatever you guaranteed it for.

Hon. Mr. CROSBY: Whatever you squandered on it.

Hon. Mr. TURRIFF: You have the ship also, but you take the ship at a time when it is very likely to be worth less than 50 per cent of what it costs to build the ship to-day. To my mind this is just a continuation of the policy of maintaining the institutions that were started during the war.

We have \$1,500,000,000 on deposit in the banks. If the ship-building industry were legitimate and on a business basis, would the financial interests of Canada, the banks, not look after it? Would they not undertake to help out a deserving proposition? But they will not do it, because it would not be good business for them. So I say that the Government would do well to be very careful when they step in and undertake something that the common sense, level-headed, hard-headed business men do not see their way clear to undertake. Why should we, in the present financial condition of the country, come to the rescue of other people? My honourable friend (Hon. Mr. McLennan) says it is not for the purpose of providing work for the men, because there is plenty of work for everybody who wants to work; therefore it must be to keep going an industry that was started under mushroom conditions during the war, when the Allied countries, Great Britain, and Canada wanted vessels in the worst way, and, not knowing that the war would end when it did, undertook a large programme.

It is stated by the honourable leader that the business has proven to be much better and much more profitable than it was ever expected it would be. We do not know anything about that, honourable gentlemen. Twenty million dollars was voted in the other House in addition to the \$50,000,000 we had already expended on the building of ships, and those ships are being built to-day. That is \$70,000,000. And now the Government come forward with a proposition to provide \$20,000,000 more in the