

tion before this house in the session of 1936 there was not much said about the oriental question in the last election, and there will not be in the future. This is not a political issue at the present time. It is first of all a question of social justice, and in the second place a question of dealing in a statesman-like way with a problem which we cannot shift from ourselves to somebody else.

Let me repeat we are not going to solve the problem by discriminating against the Japanese. It has been proved time and again that the more you discriminate against a race, the more that race multiplies.

Some hon. MEMBERS: Oh, oh.

Mr. MacINNIS: It is a well known fact that people with a low standard of living increase much faster than people with a good standard of living. That is definitely the case. Every discrimination practised against the orientals among us will in turn reflect itself in a harder struggle to exist among the lower-paid white workers in our society. That is the situation with which we are confronted. Do not let us think we are going to get away from it by making fun of it. I say again that this discussion, conducted in so light a manner at this time, is a reflection on this chamber.

Mr. CRUICKSHANK: I should like to make a correction, because neither the hon. member for Fraser Valley, nor any other member from British Columbia, said he hated the Japanese. The hon. member for Fraser Valley did not say that the hon. member for Vancouver East lost votes because of his stand. I frankly admit that when the hon. member for Vancouver East is elected, it is a reflection on us, because we have lost the votes.

I have often heard that the rich get richer and the poor get poorer, but I have never heard that making a political speech in any way increased the birthrate.

Item agreed to.

42. A compromise payment in discharge of claim submitted by the government of the United States of America on behalf of the late Robert Fulton Cutting, executor of the estate of McEvers Bayard Brown, \$3,836.68.

Mr. NICHOLSON: Will the Prime Minister explain this item?

Mr. MACKENZIE KING: Yes. The Cutting case is a claim by the executor of the estate of McEvers Bayard Brown against the province of Quebec. The late Robert Fulton Cutting was executor of the estate. Claim was maintained in the superior court, the court of king's bench and the Supreme Court of Canada, and ultimately carried to the judicial committee of the privy council.

It was for the repayment of succession duties illegally exacted by the province of Quebec. The trial court gave judgment for the repayment of the principal sum with interest. This decision was upheld by the court of king's bench and by the Supreme Court of Canada, and the judicial committee refused leave to appeal. The province paid the principal, but has refused to pay the interest. The refusal to pay was originally made by the Taschereau government, and its position has been followed in turn by the Duplessis government and the Godbout government.

The United States government supported this claim and ultimately maintained that there was a proper claim against the Canadian government by reason of denial of justice. Negotiations were under way with a view to the submission of the United States claim to arbitration. By reason of the following facts: (a) That the expenses of arbitration, even if successful, would far exceed the amount involved, (b) that there was not much prospect of success, (c) that, in the event of failure, the expenditure would be much heavier and would establish a dangerous precedent, the government agreed to a compromise arrangement.

Under the compromise, it was understood that payment by the Canadian government would not be construed as a concession that the circumstances were of such a nature as to create an international obligation. The government undertook to include in the estimates an item of \$3,836.68.

This item should have been included in the estimates for the last session of parliament, but action was deferred by reason of negotiations with Quebec, in which it was thought that there might be some prospect of this claim being dealt with.

I am sure my hon. friend will forgive my reading the particulars I have given. I did not have them all in mind.

Mr. HANSON (York-Sunbury): Where is the international obligation? Certainly the Prime Minister has not shown any international obligation. If anything was proved, it was proved that it is the province of Quebec which ought to be carrying this obligation. There is no basis in the statement made by the Prime Minister for the statement that there is an international obligation. There is, of course, evidence of a compromise and evidence of expediency, but there is no legal justification, on the basis of a legal obligation, in the statement the Prime Minister has made. It is a compromise as to the amount, and the Prime Minister has stated quite clearly that it is