

trial unemployment in the east, largely due to the policy of this government in allowing a great increase in manufactured goods imported into Canada, and particularly the province of Ontario and the city of Toronto.

The bureau of statistics shows that there has been a large increase in imports. The following are the figures showing imports through the port of Toronto:

	1935	1936	1937
October. . .	\$10,408,503	\$11,864,600	\$14,295,819
November . .	9,935,756	12,169,109	13,506,105
December . .	7,895,955	9,995,590	10,219,275

The following figures will show the increase in the importations of automobiles into Canada:

	1935	1936	1937
October. . . .	88,187	649,450	1,078,893
November. . .	170,711	661,216	1,398,751
December. . .	114,341	764,783	1,176,585

I do not wish to take time to quote the many other examples of increased importations which are due to the lowering of tariffs. In 1936, one automobile manufacturer ordered \$100,000 in parts from a parts manufacturer; in 1937 the order was reduced to 60,000, and in 1938 there are no orders.

I believe this industry gives a fair example. The balance of trade has changed. In the twelve months ended December 31, 1936, we had a favourable trade balance of \$57,051,952. In 1937, it had dropped to \$44,876,419, and on January 31, 1938, it had reversed to an adverse balance of \$20,135,836. Is this a repetition of 1929?

If it were not for these circumstances, by now we would not have employable unemployed. I cannot, nor can any other fair-minded person agree with the burden placed upon Ontario, simply because of its financial position. Because it is in a better financial position than some other provinces, why should Ontario have to assume the financial responsibilities of the federal government with respect to employable unemployed? I refer particularly to the employable unemployed. Why should Saskatchewan receive one hundred per cent relief, when, simply because they are in a better financial position, other provinces in Canada are asked to assume some of the burden? Is this absolute impartiality?

How does the minister reconcile his statement:

The government has since then proceeded on the principle of allocating fairly among the provinces the amount authorized by parliament. The government has no blank cheque.

If this is not a blank cheque, then I should like to know what a blank cheque is. The government makes a decision, then writes in the name of the province for which, in its own arbitrary discretion, it would most like

to write a cheque. What a funny kind of absolute impartiality! That kind of fun is no joke for either Ontario or Toronto. Perhaps it is intended to be a left-handed compliment.

What influences have been brought to bear on the government by the recipients? Is it the solid block from western Canada supporting the government which has twisted the government's mind in this matter? Speeches delivered earlier this session cannot but have left a lasting impression on our minds in this respect. I should like to know how the word "fairly" is defined, because I cannot reconcile any dictionary interpretation I have ever seen with the practice of the government.

I want to make it abundantly clear that I have no quarrel with Saskatchewan or with any other province over the amounts of grants they have received or are about to receive, but I want to make it clear that the only basis on which the \$19,500,000 voted last session for relief purposes can be fairly, equitably and with absolute impartiality allocated is on the basis of employable unemployed. It is a question not of financial position or contribution, but simply one of employable unemployment. The minister has said that these payments are to be made by all Canadians, and has also said:

The dominion government is not and never has been responsible for meeting social need as distinct from emergency employment need. The British North America Act gives the provincial governments the primary obligation for meeting this social distress.

This is admitted, and I do not see that there is any quarrel in this respect.

The figures of the national employment commission with respect to Ontario show that the unemployables amounted to thirty per cent of the total employed in the month of September. There has been a large increase in unemployment in the last few months, and consequently there are less than twenty per cent unemployable now in Ontario. The figure for Toronto is less than ten per cent. These figures are based on those issued by the national employment commission, and must be admitted.

We find that \$7,194,954 was expended for relief purposes in Toronto in the calendar year 1937. The figures show that as there were ten per cent unemployable in Toronto, that city and Ontario combined should contribute only \$719,495 for Toronto, whereas Toronto contributed \$3,279,346 in 1937. To a very large extent, by way of taxes on its citizens, it also contributed to the relief of other provinces. The province of Ontario, also, contributed. Is this absolute impartiality?