

calculations or by what we can comfortably accomplish. We must make the maximum effort of which this country is capable. Financial provision can be made and will be made for whatever it is physically possible for us to produce or to procure in the way of war services, supplies and materials. The limits of our effort are not fiscal. If there are any such limits they are physical, mental and moral—by that I mean the physical limits of our resources and the mental and moral capacity of Canadians to bear burdens and make sacrifices.

I believe the then Minister of Finance, the present Minister of National Defence, presented very fairly the tremendous issues at stake, and I believe every dollar necessary to carry on the war to a successful conclusion must be made available in the present emergency.

I believe, however, it is very important that the Canadian taxpayers be assured that the money raised is going to be spent fairly, and that all people in Canada should be required to make their fair contribution of the sacrifice. I feel that in many parts of Canada the war effort of the government has not the whole-hearted support of Canadians, and that this condition has been brought about for various reasons. I have in my hand a copy of an editorial which appeared in the *Saskatoon Star-Phoenix* of December 14, 1940. They quote, as follows, the words of the right hon. gentleman who leads a party in another house:

I do not exaggerate at all when I say that I have had business men by the dozen tell me that they are leaning on their oars; they have nothing to work for. They say, "We might just as well take it a little easier now, for we are only working for taxes anyway."

Those are very dangerous sentiments for any man in public life to express in Canada to-day. I agree with the suggestion contained in this editorial that it is quite possible the defence of Canada regulations should be amended to deal with these dozens of individuals who are resting on their oars because they feel that under the present available contract terms they have nothing to work for.

We have had considerable discussion in the house respecting terms of contracts. Here is a copy of *Canadian Business* for December, 1940, which contains information that, so far, has not been placed before us in the house. This issue contains an article by Leslie Roberts, headed, "Is There a War-Contracts Pork Barrel?" The article sets out in detail information as to how supplies are bought in Ottawa. No. 6 reads as follows:

Contracts are liable to continuous audit, and figures may be revised to keep the manufacturer within his ten per cent profit zone.

Then, in the body of the article I read:

Normally such a job should be produced for so much, allowing for the producer's legal margin of profit, which is ten per cent.

With one group of Canadians in a position where it is taken for granted that they should have a legal margin of profit of 10 per cent, and a very large group of Canadians who are making tremendous sacrifices without any hope or desire for profit, you cannot have a strong and united Canadian people.

May I at this point make a few observations about a very large number of Canadians who feel they are not receiving the consideration they deserve. As a matter of fact, Mr. Winston Churchill, speaking in the British House of Commons last fall, had this to say about them:

We shall do our best to encourage the building up of reserves of food all over the world, so that there will always be held before the eyes of the people of Europe, including—I say it deliberately—the German and Austrian peoples, the certainty that the shattering of nazi power will bring them all immediate food, freedom and peace.

Canada has a very important function to perform along the very lines outlined by the Prime Minister of Great Britain. We can produce enormous supplies of food, and the time will come when those supplies of food on hand in Canada will be an important factor in obtaining peace terms to our liking. But in the meantime we cannot expect two million farmers in Canada, two million people who depend directly on farming for their livelihood, to continue under prevailing conditions.

Hon. members may have thought that during the last session some of us from the prairie provinces spoke from a narrow and provincial point of view. I suggest that developments within the last few weeks have made it clear to all Canadians that the problems of agriculture are national, and that they are neither provincial nor local. I saw in the *Toronto Globe and Mail* of February 12, a dispatch reporting a speech by the Hon. W. L. Houck, Vice-Chairman of the Ontario Hydro Commission, and minister without portfolio in the Hepburn administration. Speaking at a ploughmen's convention, he is reported to have said:

"I say without fear of contradiction that the Minister of Agriculture betrayed the agricultural classes and left them to work out their own problems against insurmountable odds without any assistance from the department at Ottawa." Mr. Houck charged that the federal minister joined in a nation-wide conspiracy to keep the price of farm products at a point below what it cost to produce them. If others are guaranteed the standard of living, then the farmer must receive the same treatment. No type of man engaged in any industry wants to do more in the war effort than the farmer. He will do his part and do it willingly, but he cannot go on with prices paid at less than the cost of production.