

shipbuilders who are putting up 25 per cent of the money will have to go to the banks to get it; but such a large quantity of tonnage as this, if we get the orders we hope to get, will run into many millions of dollars. The shipbuilder is going to put up a quarter; the buyer is going to put up a quarter, and the Government is going to guarantee one-half from time to time as the ships are being constructed, with the admirable security which I have mentioned.

Mr. JACOBS: Is the bank not going to advance the money and the Government going to secure the Bank?

Mr. BALLANTYNE: No.

Mr. EULER: Is it not simply the intention of the Government to endorse notes?

Mr. DEPUTY SPEAKER: I must remind hon. members that the House is not in Committee. The Minister of Marine and Fisheries, (Mr. Ballantyne) has now resumed his seat.

Mr. WILLIAM DUFF (Lunenburg): Mr. Speaker, I had not intended speaking on the second reading of this Bill; but when I listened to the speeches of the hon. member for Lotbinière (Mr. Vien), the hon. member for Port Arthur and Kenora (Mr. Keefer) and specially my good friend the Minister of Marine and Fisheries (Mr. Ballantyne), I could not very well remain silent. Two years ago the Minister of Marine and Fisheries asked us to pass an Estimate for \$30,000,000 to build ships in this country and thereby establish shipyards. I felt that was not a good policy at the time. By voting that amount we sowed the wind; to-night we are reaping the whirlwind. The situation which faces the Canadian people to-day on account of the introduction of this legislation is exactly what might be expected from such a policy as was introduced by the Minister of Marine and Fisheries and his associates who knew nothing about shipbuilding or shipbuilding conditions. That is why it is necessary for the Minister of Marine and Fisheries and the Minister of Finance (Sir Henry Drayton) to introduce this Bill to-night. What do we find? You cannot build up any business on false premises; a business to remain established must be built under proper conditions. If you, Sir, or any other man in this country, desires to establish a business, before he does so, he looks over his field of operations and he sees first if he has customers for his product. It is almost impossible for a man to tell exactly what is going to happen or how long a

[Mr. Ballantyne.]

business is going to continue; but before he invests his money or goes on the stock exchange and sells stock, he must have a prospect which will give sufficient inducement to himself or his friends or the public generally to invest money in that business. What did we find in the shipbuilding policy of the Government in which they put \$70,000,000 which I and other members of the House opposed at that time? It was this. The Government deliberately went into a business of which they knew nothing; they gave orders to shipbuilders in this country who had no plants. If we had had shipbuilding plants throughout the country there might have been some reason why, during the stress and strain of the war, as the minister has described it, orders might have been given for a few vessels in order to help the old Mother Country out. But the Government policy was such that shipyards sprung up like mushrooms on entirely an unsound basis.

Mr. BALLANTYNE: If the hon. member will take the time to-morrow to look up my first speech on shipbuilding in March or April of 1918, he will find that I then stated that there were fourteen steel shipbuilding yards in Canada.

Mr. DUFF: I do not want to question any statement which the minister makes. It is quite possible there might have been fourteen shipyards in Canada at that time; but whether there were or not, we have heard to-night that the reason why we should pass this Bill is to keep certain shipyards in this country in existence. We are told, if we do not vote for the principle of this Bill, 23,500 shipwrights and 25,000 other men will be thrown out of employment. If, as the minister says, there were fourteen shipyards in this country before he embarked upon this suicidal policy of building ships for this country, his argument falls to the ground, because if these shipyards were established, why should we do as the hon. member for Lotbinière (Mr. Vien) says and come to the rescue of shipyards with orders or credits at this time? The fact that the Canadian Government embarked upon this policy gave the shipyards encouragement to go ahead and spend money—which has been estimated by one hon. member at \$50,000,000—in plants. The Minister of Marine and Fisheries told us that those yards were established before we had these abnormal conditions. You can take one side or the other. If, as the minister says, the shipyards were established, then the argument falls to the ground that