

a contract to look over. The hon. member for Vancouver Centre (Mr. Mackenzie) took some part in the discussion in connection with one contract; I cannot recall at the moment whether it was for rails or for work in the shops; I am not quite sure. At any rate, the act is quite clear so far as the hon. gentleman's point is concerned, and that eliminates any difficulty on that score. With the disappearance of subsection 2 and of the other words in the paragraph to which he refers, I should think there would be no further difficulty. But I could never see why the subsection was added in any event, in view of the fact that if this house gives its approval to the estimates and the agreements are within the estimates—and they must be or else they are ultra vires, for the amount involved would be more than the amount which parliament has appropriated—the government has approval and it is not necessary to have it a second time.

There is another point which I wish to discuss briefly, because we threshed this out to some extent on the second reading. If the language is not sufficiently clear—and I think it is—to enable the government, in making agreements, to deal with the problem to which attention was directed this afternoon, I think that without question it should be made so, for it will be recalled that the agricultural placement provisions under the act that expired on the last day of March were made as relief measures, and being made as relief measures under agreements with the provinces they fell within the purview of the language used in the statute itself. There is no question about that. If there is any doubt that this language is not sufficiently comprehensive to enable the government to deal with that problem in the agreements it makes, I suggest to the minister that such doubt should be removed. My own view is that the language is sufficiently broad as it stands.

Mr. ROGERS: As a relief measure.

Mr. BENNETT: Yes, purely as a relief measure, because it is only as a relief measure that the matter referred to by the hon. member for Rosthern and the hon. member for Portage la Prairie is to be dealt with. This measure expires on March 31, 1937, but section 5 does not expire, and as it stands the governor in council has a blank cheque to lend any sums of money to provinces without limitation and to renew them, to continue them and to do as he pleases for ten, fifteen, twenty or fifty years. I do not think that was in the mind of the government, but it is my duty to direct attention to it.

Mr. POOLE: Am I correct in assuming that this provides for a subsidy to be paid from the public treasury to any industry?

Mr. ROGERS: If I understand the hon. gentleman's question aright, he wishes to know whether under this section a subsidy could be paid to an industrial corporation for the purpose of extending employment.

Mr. POOLE: From the public treasury.

Mr. ROGERS: Provision is made under the section whereby that might be done.

Mr. HEAPS: A few minutes ago my hon. friend from Winnipeg North Centre raised the question of the fair wage clause or something of that kind which should go into this section, and it was contended by the Prime Minister that there is in effect at the present time such a clause that should be applied.

Mr. BENNETT: On the first of May next.

Mr. HEAPS: Yes. But even apart from what may come into being on the first of May next, there was, I believe, in most of the government contracts a fair wage clause, and it is covered by the act that comes into effect on the first of May next. Even as regards contracts let in the past year or so by the late government there was great difficulty in having the fair wage act apply to those contracts. Not only was there difficulty by reason of the companies receiving contracts refusing to comply with the fair wage agreement, but there was difficulty on account of the difference of attitude among the various departments of the government itself. I have before me certain correspondence that took place between the Minister of Railways and the Minister of Labour in connection with a contract that was let for over \$1,000,000 to one of the steel companies of the country, and the employees were anxious to know something about the fair wage clause that was inserted in the agreement. They wrote to the Minister of Railways and he passed the buck to the Minister of Labour; when it came to the Minister of Labour what did he write, in connection with contracts let by the Canadian National? He says:

The contract however was not between the dominion government and the corporation but, as Mr. Smart, Deputy Minister of Railways and Canals, has informed you, was between the corporation and the Canadian National Railway Company. The contract, therefore, being between two private corporations, was not one in which the dominion government was a party.

The dominion, government supplied the funds, and the Canadian National is supposed to be a government railway; at any rate its