

provinces that they will be prepared to support the administration in seeking an amendment to the British North America Act which will enable us forthwith to introduce an unemployment insurance act in this house. I am perhaps expressing the matter in too technical terms when I say that they approve an amendment to the British North America Act. What the provinces generally have approved is the enactment of the federal government of a national unemployment insurance scheme. This assurance has come from the provinces of Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan and British Columbia. I have a letter received this week from the Premier of Alberta, the only province whose name I have not mentioned. It expresses the view that the government of Alberta would like to have the report of the dominion-provincial relations commission or a copy of the bill itself before expressing a final opinion. However, there is not in Premier Aberhart's letter any statement which would lead one to believe that if such a measure were introduced in this house, exception would be taken to it by the members from that particular province.

May I say that the government feels that with the backing of all the provinces I have mentioned—the letters will be tabled later on—we are justified in taking this step at this time. We feel moreover that it is desirable to take the earliest possible opportunity to introduce the measure now that assurance has been given so generally by the provinces. A time of war, when there is much in the way of employment in heavy industry, offers perhaps the best of all opportunities to begin a measure of this kind. Contributions will come in more readily at such a time. Then, if unemployment comes, as it may once the war is over, there will be upon the statutes a law under which men will be able to obtain their allowances.

My hon. friend has spoken of the defence of Canada regulations and has said that he hoped this would not be a case of merely sending the matter to a committee. He hoped that something more would be done in reference to the question than just putting it to one side. I think he said that the government ought to have a policy in connection with a matter of that kind. The policy, I may say, is already there, it is laid down in the regulations. This afternoon the Minister of Justice explained what the policy was. I may add that during the course of the campaign the government was asked repeatedly to refer the defence of Canada regulations to a committee of parliament. An undertaking to that

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effect was given. I have answered many communications which have been received complaining of the regulations in some particulars with the assurance that if the present administration were in office when parliament met we would see that the defence of Canada regulations were referred to a committee of the house so that hon. members might have a chance of expressing their views and opinions with respect thereto and of making to the house such recommendations as they might deem advisable.

I see I have come to the part of the address of my hon. friend where he began to speak more particularly of the war effort of the government. Also I notice it is just six o'clock. If I have passed over other points which the leader of the opposition raised, I hope he will forgive me for so doing. This evening after recess I shall begin immediately to answer what I believe to be the questions which are of most concern not only to my hon. friend but to other hon. members of this house, and to the people of Canada, namely, what the government's war effort has been, what it is at the present time, and what we intend it to be.

At six o'clock the house took recess.

#### After Recess

The house resumed at eight o'clock.

Mr. MACKENZIE KING: As I intimated this afternoon before adjournment, I intend to speak as briefly as possible on any matter other than that of Canada's effort in the present war. This is no time in which to review at length the state of the world. Swiftly moving events of the gravest importance to the future not only of this country but of the whole human family speak for themselves with compelling eloquence. No speech of mine could add aught to what already is all too well known. It is no time either for self-justification, or vilification, or for ancient controversies. I realize to the full, as other hon. members also realize, that the temper of the government, the house and the people and the crisis of the hour demand action and not argument; deeds and not words.

The character of the enemies of the human race against whom we and our allies are arrayed has been unmasked in all its barbarity and violence.

Within a period of eight months the tyrants of Germany have become the masters of Poland, Denmark, a great part of Norway, Holland, and the chief cities of Belgium. By

weight of men and equipment they have brought devastation to the weak and the unoffending. Within the last few days their armed forces have made a deep incursion on the soil of France, and the German Reich is now preparing new attacks upon Britain from the lands which Nazi brutality has violated. Words of passion and indignation will effect nothing. Knowing what the enemy has been and is doing, we must consider what we are doing and what we can do to meet him.

My purpose, therefore, to-night is to review as concisely as possible what Canada has done and is doing, and to indicate what further action the government has taken or proposes to take to meet the danger which threatens our allies and ourselves.

Some of the measures which have been taken and will be taken cannot, for reasons which will be obvious, be divulged at all at this time. Some must necessarily remain but partially indicated. Within the limits imposed by military necessity there will be no secrecy.

The greatest crisis in the history of the British commonwealth is not the occasion for partisan congratulations or for partisan criticism. We are concerned not with the past but with the present and the uncertain clouded future. The task which is ours is a task for all Canada, not for any section or group of Canadians. It needs and will need the utmost vigour and whole-hearted assistance on the part of each and every one of us.

It has not been a simple matter for this country to move from an economy of peace to an economy of war, just as it has not been easy for the democracies of Europe who once hoped for peace, to make preparations against an autocracy that has consistently hoped for war and planned it.

The record of the war effort of this country and an outline of the plans which we have initiated and proposed to initiate will be unfolded. Vainglorious justification is as foreign to the spirit of this solemn hour, as is carping and hysterical criticism. All I ask is that, as this house surveys the government's record and the government's plans, the record and the plans be placed in their proper perspective and examined and assessed as a whole.

The world has greatly changed since 1914. Canada has changed with it. Our national status has changed. Our political responsibility has changed. Our financial position has changed. Our industrial capacity has changed. The problems of local defence and overseas activity have been revolutionized by the new range, effectiveness and destructive power of aircraft, submarines, mechanized weapons and military equipment. The machine of war more than ever dominates

the man at war. Military power can no longer be resolved in terms of the number of men enlisted.

The final result of all these factors of change, the rise of air power and the elimination of distance, cannot yet, of course, be accurately determined. They have remarkably increased the necessary emphasis upon home defence. They have made clearer than ever the tremendous importance of our eastern Atlantic ports for the conveying of military and other supplies to Britain and France.

They have been responsible for the great significance it has been necessary to attach to air development—not only in connection with our own Royal Canadian Air Force, but also in regard to the commonwealth air training plan, in which we have such a vital part and place.

When you examine the expenditures made, and learn the appropriations proposed, in connection with the Royal Canadian Navy and the air force, you will be more than ever impressed by the differences between the waging of war in 1914 and the waging of war in 1940.

The world, perhaps, and Canada with it, has been slow to appreciate the extent and the meaning of these changes.

When we consider, also, the difference in the alignment of forces in this war, the possibilities of the spread of conflict in all directions of the compass, and our national duties for defence and cooperation with our allies not only on our eastern shores but in the Pacific as well, you will have some idea of the manner in which Canadian defence problems have been enlarged and intensified.

I shall proceed now, Mr. Speaker, to a brief review of what has been done and planned to date. I shall give the bare, plain facts in brief outline. Full details will be supplied by my colleagues as the session continues.

A country's war effort, while by no means wholly dependent upon its financial capacity, is nevertheless definitely limited by and subject to financial considerations of which too full and careful an account cannot be taken. Appropriations for and expenditures on war account are at least one index of its nature and extent. I shall begin this review, therefore, with a brief financial statement and a mention of some of the financial considerations of which the government has been obliged to take account.

First of all may I say that our financial situation is radically different from our situation in 1914. Then we were able to borrow money outside of Canada, both in the United