

including this year, and to Prince Edward Island \$2.5 million, making a total of \$25 million a year. This amount added to the \$62 million, makes some \$87 million, based on the estimates, to come out of the federal treasury. I am not going to argue the question of whether the Atlantic provinces should have the money or not, but I have no hesitation in saying quite candidly that if any part of Canada deserves consideration it is the Atlantic provinces.

**Hon. Mr. Barbour:** Hear, hear.

**Hon. Mr. Haig:** I say that because when I first came down here as a member of this house my eyes were opened by a very distinguished senator—he is here with us still—from the province of Nova Scotia. After hearing him describe the situation in his province I wondered whether or not he ever flew the flag on Confederation Day. I asked him, and he said he did, but that he had memories every time he did it.

The western provinces do not have that record behind them because they all came in as purely new countries; whereas, the Maritime provinces came in under an agreement, and they claim—I have no doubt it is true—that conditions were much better with them before than after Confederation.

This is not a party question at all. It has been the striving of all political parties to try to give to the Maritime provinces a better deal in Confederation, and especially the Atlantic provinces. Now I am not sure about Newfoundland. I have just as much love for the people of Newfoundland as I have for those of any other part of the Atlantic area, but it must be remembered that Newfoundland came into Confederation under known conditions. It knew what the conditions were; it knew what had happened in the provinces of Nova Scotia, New Brunswick and Prince Edward Island. So it may be said that Newfoundland came into Confederation with its eyes open. But the other Maritime provinces came in under an appeal of loyalty—loyalty to Canada and to the British Empire—which may have influenced their business judgment, a judgment that would not have been influenced under other conditions.

I have no hesitation in saying that as Leader of the Government in this house I am happier in proposing this bill than any other piece of legislation that I have had the honour to deal with since my appointment. I think I express the feeling of this house when I say that the situation in the Maritime provinces is probably better known in this house than anywhere else in Canada. Here we are among men and women from the Maritimes, and we come to understand how they feel and what they think; here there is a spirit of family

union that conveys to us the idea of what people in the other parts of Canada think about the problems in the Atlantic area.

I am sure the first part of the bill meets with general approval; and as to the second part, I think it is a step in the right direction. We still have a grave problem with us. The honourable Leader of the Opposition (Hon. Mr. Macdonald) may say that we are spending too much money, that the time will come when we will not have as much income as we now have. Whether that is right or wrong, I do not know, but I do know that we are in one of the queerest periods in the world's history that we have ever known. You have only to read your daily newspaper to come to the conclusion that we seem to be spending ourselves to the edge of an abyss, and what is going to happen next nobody knows. Our Minister of Defence has said, as other ministers before him have said, that we are spending too much money on war preparation. But the other day that quiet, unassuming man with a cool sense of judgment said that we must be ready for anything that may happen.

The United States is now being told by people who think that it is a great country,—and I say so myself,—that their instruments of warfare will be of no use if Russia attacks first. Now, honourable senators, that may be true or not, I do not know; but I do know that we are in difficult times. Our taxation has risen tremendously by reason of our defence expenditures, and I do not know any way of stopping them. When your boys are on the battle front, nothing counts but getting them back, or at least arming them so that they have a chance of winning.

I ask the house to pass this bill. It is a step in the right direction. It is recognition by the Parliament of Canada that we are going to do something—first, for the Maritime provinces, because they deserve it; and secondly, for the other provinces, in order to give them a chance to receive at least a little more money to carry on the government of their provinces.

For these reasons I would urge the house to give second reading to this bill.

**Hon. Mr. Robertson:** Honourable senators, may I ask the honourable gentleman a question? I am not as familiar as I might be with this bill. Why is the period over which payments will be made to the Atlantic provinces limited to four years?

**Hon. Mr. Haig:** I think the four-year period is largely a parliamentary term. I did not pay any attention to that feature. Actually, I think the Prime Minister said