

in the House of Commons by the Minister of Marine and Fisheries on a concrete case. The Minister said:

The bankers have been consulted in regard to this proposition for several months past. The 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 lend one-half from time to time as the ships are being constructed, with the admirable security which I have mentioned.

I have no quarrel with the statement made by the Minister of Labour, but I restate my question. There has been correspondence on which this legislation is based, either emanating directly from the parties who want ships or coming through their representatives in this country. What good reason has the Government to offer to this Chamber why this correspondence, based upon a concrete case and resulting in this legislation, is not brought down for the information of members of this Chamber? I have not discussed the policy. I have not discussed one line of the Bill, its merits or demerits; but I have taken the statement of the Minister of Marine and Fisheries that the Government had been approached. Now, when we are asked to sanction this scheme why should we not be given the information which the Government has in its possession?

Hon. Mr. BEIQUE: That the Government has been approached is apparent from the preamble, for it is stated:

Whereas inhabitants of European countries are desirous of placing orders for ships in Canadian yards, but owing to the present rates of exchange and the depreciated value of foreign currencies they are unable to finance such orders.

This shows that there must have been correspondence between the Government and people in foreign countries, and I think the demand made by the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) is fair, and that unless the Government says that there was no correspondence this House is entitled to have it.

Section 1 was agreed to.

Sections 2 and 3 were agreed to.

The preamble and the title were agreed to.

Hon. Mr. DANDURAND: I find, honourable gentlemen, that the information will be forthcoming, but that will be when the

Hon. Mr. DANDURAND.

horse is out of the stable, not now. According to the last clause of the Bill, information is to be given to Parliament regarding the doings of the Government of the day; for this Government may go out within forty-eight hours. Information will be given of the endorsement made and of the liabilities incurred; but we are not to know whom we are endorsing.

Hon. Sir JAMES LOUGHEED: Is not that sufficient assurance for my honourable friend? It is placed right in the statute.

Hon. Mr. DANDURAND: Yes, but my honourable friend must not forget that we are not thinking merely of persons.

Hon. Mr. BOSTOCK: If my honourable friend has the correspondence he might let this matter stand and bring it before us on the third reading.

Hon. Sir JAMES LOUGHEED: The information will be given under the last section of the Bill.

The Bill was reported without amendment.

THIRD READING.

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

INCOME WAR TAX BILL.

CONSIDERED IN COMMITTEE AND REPORTED.

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 158, an Act to amend The Income War Tax Act, 1917. Hon. Mr. McLennan in the Chair.

Hon. Sir JAMES LOUGHEED: May I ask Mr. Breadner to come within the bar.

On section 1—definitions; "dividends":

Hon. Sir JAMES LOUGHEED: We have added a paragraph there, honourable gentlemen:

(1) "Dividends" shall include stock dividends.

There was some doubt as to whether stock dividends were included in the former Act.

Hon. Mr. PROUDFOOT: Do the words "stock dividends" mean this? Supposing a company is not in a position to pay a cash dividend and it pays a dividend in stock. Is it intended that that stock should be taxed as part of the income? It may not mean cash at all.