

Minister of Labour is reported in Hansard of February 10, 1932, at page 88, as follows:

That, shortly, is the position in so far as the Dominion government is concerned.

He is speaking of the fact that they had sent out \$3,371,664.69 to assist the province of British Columbia to take care of New York maturities, and had advanced the sum of \$2,300,000 against works for unemployment relief purposes in that province. In addition to that, during the course of the week in which the minister addressed the house a further \$225,000 had been advanced to the provincial authorities in order that they might carry on their work in connection with their camps. Then, continuing his final statement, he said:

I am not in possession of the particular facts with respect to the district of Burnaby to which the hon. member has referred, but the federal government has not only carried out its agreement to the full with British Columbia, but made these payments to that province far in advance of the receipt of the necessary vouchers to equate them. I think I can assure the hon. member for New Westminster (Mr. Reid) that in spite of his anxiety with respect to the locality to which he has made reference, matters are proceeding out there, particularly in the last month or six weeks, in such a way that I anticipate no great difficulty.

According to the report of Mr. Hereford, those statements are borne out, because we find that loans were made first of all to cover the dominion's share of moneys on approved public works. That was to an amount of \$500,000 in one instance, and \$800,000 in another. The Minister of Labour has stated to me that there was an understanding when the money was sent that it was to take care of all accounts rendered by the province of British Columbia. As he himself has said, however, British Columbia has seen fit to take the exact wording of the order in council, and has hidden behind the excuse that no money was sent to pay the dominion's share. That is the controversy which has been going on from time to time since the beginning of January, and it remains unsettled. Only a short time ago, in an interview with the Minister of Labour, an understanding was reached that money would be sent out on the authority of an order in council passed on March 2 to take care of the dominion's proportion of municipal relief expenditures. It would seem that on February 10, \$2,300,000 had been sent to British Columbia against relief works. I ask the Prime Minister, when he knew there was controversy, and that the banks were refusing the credit of municipalities, and that merchants

would not accept relief cheques, why he did not see fit to send further money? It was on the tenth of February that I brought this to the notice of the house. Why was not the money sent? Only last week I received a copy of a telegram sent to the Minister of Finance by the provincial government informing him that they had some two or three hundred thousand dollars left over from the money so sent, and stating that if they received authority from the government they would pay the dominion proportion of the municipality's account. The Minister of Finance informs me that such a telegram was sent by him, and that he could not see any reason why the provincial government should not pay the account. But in spite of all that we have the Prime Minister getting up and pointing his finger at the opposition and saying I was stopping payment of the money due to the municipality of Burnaby. Why did not the Dominion government send that money, or see that it was sent, when the serious condition of affairs at Burnaby was brought to their attention? I would also ask the Prime Minister now: Will he now send a telegram to the British Columbia government to use that surplus money for the dominion's proportion of the municipality's expenditure? I am glad in a way that this question has been brought up by the Prime Minister, because the municipalities may yet get the moneys owing. I am not particularly interested in who is to blame, but I am disgusted that the buck has been passed to and fro so long. Again I ask this question: Will the Prime Minister send a telegram to the British Columbia government authorizing them to pay the accounts out of the \$200,000?

Mr. BENNETT: The Prime Minister will not send a telegram to the government of British Columbia telling them how to do their business.

Mr. REID: They have asked for it.

Mr. BENNETT: He will, as soon as the house passes the legislation now before it, pass an order in council to forward to the government of British Columbia the moneys they may be entitled to receive. A cheque for \$500,000 has been outstanding since the second of March. It has been so frequently referred to in this house that I want again to mention it. That cheque will also be sent.

Mr. REID: In view of the explanation, why did not the Prime Minister intervene on February 10—not March 2—to see that the money was sent? On that occasion I directed