

they are not very popular at present, although in years gone by they were wisely granted by both Liberal and Conservative Administrations. As a result of the granting of such bonuses we have many large industries in this country that we otherwise would not have had. Now, during the past year several delegations of shipbuilders have asked the Government to give them a bonus. The Government have not seen their way clear to do that. The hon. member for George Etienne Cartier (Mr. Jacobs) likes to refer to the present proposal as a bonus, but he knows full well that it is not a bonus. He understands legislation as well as any other hon. member, and he must know that this is simply a Government guarantee with ample security. The Government of Canada have, first of all, a note from a good, strong financial buyer; that is the first security that the Government have. The Government will have a say as to the yards in which the ships shall be built; they will see to it that the contracts are placed only with yards that are strong and in good condition financially. The second security that the Government have is the endorsement of the shipbuilder who gets the contracts. And on top of that the Government have a mortgage on the full amount of the ship, although they are putting up only half the value of the ship. It does not take much of a business man to understand at once that this arrangement is a most advantageous one from the standpoint of the Government. The people of Montreal will not be pleased with the attitude taken by my hon. friend (Mr. Jacobs) with regard to this legislation; neither will the people of Canada generally be pleased with his attitude respecting the Government's shipbuilding programme. But regardless of that the Government are going on their way. If the hon. member will take the trouble to look at this morning's Montreal Gazette—I am sure that there is no newspaper in Canada that he has more faith in—

Mr. JACOBS: Excuse me. Do not wish the Gazette on me.

Mr. BALLANTYNE: If the opinions of that paper do not carry weight with the hon. member, they do carry weight with the business men of Montreal and throughout the country. The Gazette, in an editorial, fully endorses the policy of the Government in this regard. The whole question comes down to this: Who would not guarantee notes if the security offered him was two to one?

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Mr. EULER: If that is a sound attitude to take, why would it not apply to any industry? Are we in the money-lending business?

Mr. BALLANTYNE: I have explained to the hon. member that this industry has no protection whatever. I do not want to cover again the ground that has been so ably covered by the hon. member for Lotbinière (Mr. Vien), nor do I want to take up the time of hon. members by covering again the ground that I went over the other night. This is one of our great national industries—\$50,000,000 of capital is invested in this industry; 25,000 men are engaged in it; another 25,000 men are engaged in machine shops and boiler shops throughout this country making marine engines, boilers, pumps and so on. And in these times of stress and strain, it is the duty and obligation of the Government and of this House, when we get the ample security that we are getting under the provisions of this Bill, to keep this national industry of ours going and to keep those 50,000 men employed.

The notes that will be given are not long-term notes, and my opinion is that it will be only a very short time until the notes are redeemed and the mortgages will be lifted on those ships, and in the meantime we shall keep our seventeen shipyards throughout Canada fully employed for two or three years, or perhaps more. Therefore, I am sure that a majority of the members of this House are satisfied with the provisions of this Bill; that they are satisfied with regard to the security that is offered, and that they will be quite willing to support the Government when the time comes to vote upon this Bill.

Mr. JACOBS: The hon. gentleman is a director of a number of banks and trust companies in Montreal. Will he tell us whether the promoters of this scheme attempted to obtain money from the banks or trust companies before they came to the Government?

Mr. BALLANTYNE: That is a very easy question to answer. While the hon. member has done me the honour to say that I am a director of several banks and trust companies, I may say that I am a director of one bank and one trust company only.

Mr. JACOBS: Look at the trust company.

Mr. BALLANTYNE: Very well. The bankers have been consulted in regard to this proposition for several months past. The