

with the provincial governments and municipal authorities; and we shall not be in a position to come to a satisfactory understanding with them, an understanding which would be satisfactory to the whole of the dominion, until such time as we are resolved to maintain our federal services by our own taxation and to insist that they, by such taxation as they can impose at present or by such extended powers of taxation as may be granted to them, will undertake the full duty and responsibility of administering the affairs of the provinces and municipalities which, under the constitution of Canada, have been committed to their care.

I could say more. Perhaps it would be inadvisable for me to do so. I am committing no person but myself, as I have been expressing my own personal views. But to one who has lived with this question for some years, as I have, and had to do in the first years of my public life with provincial affairs and their administration, I am thoroughly convinced that, with the best of motives, parliament years ago took the wrong direction, and that by following along that wrong direction we will simply bring ourselves into graver and more complex difficulties.

The time has come when we should stop, look and listen, and consider and decide as to the future program of Canada in dealing with the provinces and municipalities, a program which must be initiated by the government of the day, but a program which I trust will be so broad, comprehensive, definite and satisfactory as to secure the approval of all parties in parliament.

Mr. McIVOR: Mr. Chairman, I am not a constitutional lawyer or a high financier, but this resolution looks like action to me. When I read about the municipalities meeting in Ottawa, in Toronto and other places, and sending their requests to the dominion government for relief, I think that this resolution is the answer to them. How are we going to cure unemployment if we do not provide productive work? As has been shown by conventions in municipalities, these municipalities have been in difficult times. If this is the father of assemblies in Canada, then certainly we should take the lead.

When I rose to speak I had intended asking the minister a question. In the event of the passage of the legislation taking over full control of the Bank of Canada could we borrow the money from that bank? In other words, could we take it out of one pocket, put it into another, and gain two per cent?

Mr. BENNETT: You do not have to put it back; you just take it.

Mr. HEAPS: All hon. members appreciate the sentiments expressed by the hon. member for St. Lawrence-St. George (Mr. Cahan). That was the kind of talk one would expect from the hon. member, and I believe his viewpoint is appreciated. However I am always tempted to remark that I never heard him speak in that particular tone between the years 1930 and 1935, despite the fact that during that period vast sums of money were spent, probably not on projects exactly the same as those contemplated in the resolution, but on measures of a somewhat similar nature designed for the relief of unemployment.

In a sense I have been gratified by the statement of the Minister of Finance (Mr. Dunning), but my gratification was somewhat tempered when I heard him give the details of the proposed scheme. I am pleased indeed to learn the government contemplates spending \$30,000,000. But if the scheme is hedged in the manner indicated by the minister I do not think the whole of the \$30,000,000 will be spent by the government.

Mr. DUNNING: By the requests which are in now, I do not think there is much doubt about it.

Mr. HEAPS: I am not going by requests which may come in; I base my statement on the remarks of the minister. He said that the money will be handed out on a basis of population, and if that is so we shall be faced with a difficult situation. That would apply particularly in the large industrial centres of western Canada where there is a great deal of unemployment. Let us take as an example the city of Winnipeg. Its population of approximately 200,000 is about one-fiftieth that of the population of Canada, and according to the statement of the minister, Winnipeg will be entitled to receive one-fiftieth of the \$30,000,000. If I am wrong I hope he will correct me.

Mr. DUNNING: The figures used by the right hon. the leader of the opposition will turn out to be approximately correct. If you allow approximately \$3 per head of population you will not be far out.

Mr. HEAPS: As Winnipeg has one-fiftieth of the population of Canada it would be entitled to one-fiftieth of the \$30,000,000, or \$600,000. That works out at \$3 per head of population.

Mr. DUNNING: I hope the hon. member did not understand me as putting forward this measure as a complete cure for all the unemployment that exists. This one measure deals