

Hon. Mr. DANDURAND: I would ask permission to have Mr. McKinnon sit beside me.

Hon. Mr. WILLOUGHBY: It will be seen that the payment of the bounty is made contingent on the provisions of tariff item No. 1019 in Schedule B to the Customs Tariff remaining in full effect.

Hon. Mr. DANDURAND: Item 1019 in Schedule B to the Customs Tariff reads:

Bituminous Coal—when imported by proprietors of coke ovens and converted at their coke ovens into coke for use in the smelting of metals from ores and in the melting of metals.—99 per cent drawback.

So long as the provisions of that tariff item remain in force, the bounty of 49½ cents per ton may be paid.

Hon. Mr. WILLOUGHBY: I have not read the debate on this Bill in another place, but I know there was considerable discussion on it there. The Bill provides that a person or corporation shall not receive payment of the drawback if there has been non-compliance—

—with laws enacted by the province, in which the industry concerned is operating, for the purpose of maintaining in the operation of such industry hours of labour and rates of wages consistent with the provisions of any international convention adopted by a labour conference held under the Treaty of Versailles.

That is to say, manufacturers of iron or steel will receive the bounty if they comply with provincial law. We are contemplating the remission to manufacturers concerned of the duty on coal—

Hon. Mr. DANDURAND: No, only a bounty of 49½ cents per ton.

Hon. Mr. WILLOUGHBY: Well, that is virtually the same thing.

Hon. Mr. DANDURAND: They are getting the remission now.

Hon. Mr. WILLOUGHBY: They will get the bonus if they comply with laws enacted by the province for the purpose of maintaining wages and hours consistent with the provisions of any international convention adopted by a labour conference held under the Treaty of Versailles. I do not pretend to make any new comment on this matter, for the point I wish to emphasize has already been discussed in another place. In my opinion we should not make the payment of the bonus conditional on compliance with legislation by a province. We, who are authorizing the payment, have the power to say under what conditions the payment shall be made. I think we should provide that the bounty

Hon. Mr. WILLOUGHBY.

may be paid to manufacturers who comply with the provisions adopted by a labour conference held under the Treaty of Versailles with respect to hours of labour and rates of wages. We should not pay any attention to what legislation the Province of Nova Scotia, or any other province, decides to pass. The payment of the bonus should not be made conditional upon the action of some outside party. I do not desire to oppose the passage of the Bill. In common with every honourable member of this House, I am eager to encourage the growth of native industry in Canada, and I think this legislation will be of some assistance along that line.

Hon. Mr. DANDURAND: My honourable friend realizes that the Dominion Parliament cannot legislate with regard to hours of labour and rates of wages.

Hon. Mr. WILLOUGHBY: Quite true.

Hon. Mr. DANDURAND: That is a provincial matter. This Bill provides for the payment of a bonus to manufacturers of iron or steel. If the province where the industry concerned is operating has passed legislation respecting hours of labour and rates of wages in conformity with any international convention adopted by a labour conference held under the Treaty of Versailles, the manufacturers will have to comply with that legislation in order to receive the bounty. But the Bill does not demand the passage of any such legislation. A province may go as far as it wishes with a view to protecting labour employed in the iron and steel industry.

Hon. Mr. DANIEL: Does the corollary apply, namely, that if a province does not pass such legislation any industry concerned in the province would not receive the bonus?

Hon. Mr. DANDURAND: It would receive the bonus.

Hon. Mr. DANIEL: It would receive it anyway?

Hon. Mr. DANDURAND: Yes, unless it disobeyed any provincial law.

Hon. J. A. CALDER: I quite concur in the view expressed by the leader of the Government (Hon. Mr. Dandurand) that the Parliament of Canada cannot pass legislation governing hours of labour and rates of wages. But would it not be possible to provide in this Bill that the bonus shall be paid only to such persons or corporations as, let us say, adopt the eight-hour-day basis? By doing that we should not be encroaching on provincial jurisdiction. We can say to the manufacturers, in effect, that they will be eligible for the bonus