

ability is that we should have had machinery to enable us to meet a situation of this sort to a much greater extent than we can at the present time. I trust that the upper chamber will consider the amendments made and return to this house a measure which will be acceptable to us and which will give some hope to thousands of people who are looking for relief under conditions which are not of their own making.

Mr. J. H. BLACKMORE (Lethbridge): Our group proposes to support the motion of the government to return this bill to the senate.

Right Hon. ERNEST LAPOINTE (Minister of Justice): In reply to the hon. member for Rosetown-Biggan (Mr. Coldwell), may I say that reform of the senate cannot be achieved without an amendment to the British North America Act. I know it is disagreeable to refer to that question, but that is the situation.

Mr. COLDWELL: You might try.

Mr. LAPOINTE (Quebec East): However, I share the hope of the hon. member for Rosetown-Biggan.

Mr. R. W. GRAY (Lambton West): Surely we are not going to close the debate without a word from the acting leader of the opposition, the hon. member for Kootenay East (Mr. Stevens), who is acting in the absence of his leader, and from the hon. member for Leeds (Mr. Stewart), who has just gone out.

Some hon. MEMBERS: No, he is here.

Mr. CAHAN: There are a number on your side who have gone out.

Hon. CHARLES A. DUNNING (Minister of Finance): Mr. Speaker—

Mr. SPEAKER: If the Minister of Finance speaks, he closes the debate.

Mr. DUNNING: I desire only to make a brief reference to the remarks of the hon. member for St. Lawrence-St. George (Mr. Cahan), who I take it, speaking on behalf of his party—

Mr. CAHAN: I do not profess to speak on behalf of anyone but myself.

Mr. LAPOINTE (Quebec East): I think so.

Mr. CAHAN: Not at all; but I entertain very strong opinions. I am not the leader of the party, and therefore my speech does not bind anyone other than myself.

Mr. DUNNING: I may be forgiven, then, for presuming that the silence opposite on the

[Mr. Coldwell.]

part of hon. members of the Conservative party gives consent to the case as put forward by the hon. member for St. Lawrence-St. George. I just wish to refer briefly to the argument that we should go ahead with the farm relief, that as a country we should compensate mortgagees to the extent of fifty per cent of their losses in connection therewith, but that we should relieve these same mortgagees of the obligation, which the bill passed by this house placed upon them, to extend some relief on their own account to the urban mortgagors of this country. That is the issue.

The saving to the treasury by this amendment, if we accepted it, would not, in my opinion, amount to more than \$10,000,000. But can anyone count the saving to urban mortgagors which would be represented by the reduction of their interest rate to five and a half per cent? The hon. member for St. Lawrence-St. George says that most of the mortgages in this part of Canada are held by individuals and not by institutions. If my memory serves me rightly, the figures given in our own banking and commerce committee, of urban mortgages held by institutions represented before that committee, so far as these central provinces are concerned, were in the neighbourhood of \$130,000,000, a very large proportion of which would be eligible for reduction in interest, which reduction, under the terms of the bill as it left this house, would be given by and at the expense of the mortgage institutions and not by and at the expense of the federal treasury. The federal treasury would only enter to bear its proportion of the loss represented by adjustments as a result of depreciated values and the other features of the bill along that line.

Mr. STEVENS: Would the minister permit a question?

Mr. DUNNING: Certainly.

Mr. STEVENS: The 5½ per cent is only the ceiling; it is not a fixed amount.

Mr. DUNNING: No, it is not a fixed amount; it is the maximum.

Mr. CAHAN: And the average now is very little, if any, over 5½ per cent.

Mr. DUNNING: The maximum now in these central provinces is as high as 7 per cent.

Mr. CAHAN: But the average is lower.

Mr. DUNNING: I do not claim that the average at the present time is 7 per cent, but I do claim that a fair average would be not less than 6½ per cent.