

my hon. friend. However, if it is found that anybody is suffering inconvenience on account of inadequate elevator facilities, either going up or going down, we will endeavour to rectify it.

Mr. CANTLEY: I know exactly what elevators are operating, Mr. Speaker, and I know what elevators are not available. I expect that the members of this house will be able to obtain the facilities they formerly had. It is something new to find this government talking economy in matters of this kind.

### UNEMPLOYMENT IN CITIES

On the orders of the day:

Mr. T. L. CHURCH (Toronto Northwest): May I ask the Prime Minister (Mr. Mackenzie King) whether the government has any plan for providing useful employment to the great number of unemployed in the large cities of Canada?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Up to the present, Mr. Speaker, the government has not given consideration to the matter to which my hon. friend refers.

### THE BUDGET

#### CONTINUATION OF DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MIN- ISTER OF FINANCE

The house resumed from Tuesday, March 12, consideration of the motion of Hon. J. A. Robb (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment thereto of Hon. Hugh Guthrie.

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I desire first to pay a tribute to the Minister of Finance (Mr. Robb) for his able, concise and clear budget statement. I desire also to pay a tribute to the hon. member for South Wellington (Mr. Guthrie) for his masterly review of the budget and for the manner in which he pointed out the fallacies and analysed the consequences of the minister's proposals.

Before entering upon the main theme of my remarks this afternoon, I wish to say a few words in connection with old age pensions. Hon. members will recall how in 1925 and 1926 the King government made a very strong appeal to the people of Canada to support their proposals with respect to old age pensions. They took the opportunity to claim full credit for having introduced that legislation. But having been elected to power,

we now see certain doubts cast on the constitutionality of the Old Age Pensions Act, and those who are raising such doubts appear to have the sympathy of the Liberal government as well as of other Liberal forces throughout the Dominion. We have lately read in the press a statement by the Premier of Quebec that he had obtained the opinion of three eminent counsel to the effect that the old age pensions legislation is unconstitutional, and that the Dominion government has no authority to make contributions to the provinces for that purpose. At the time, sir, I did not pay any special attention to Mr. Taschereau's observation. We know that the province of Ontario is about to adopt the old age pension scheme. British Columbia, Saskatchewan and Manitoba have already adopted it.

But something still more significant was the attitude of the Prime Minister (Mr. Mackenzie King) a few days ago when we were discussing the question of federal grants to the provinces for highway construction. Referring to that system of federal assistance to the provincial governments, the Prime Minister stated:

It is a bad system, a thoroughly vicious system, and that is the reason why the present administration has been seeking to put an end to a system that grew up at a time when the country was in the throes of war or had to meet a post war situation.

I asked the Prime Minister:

What about old age pensions?

He replied:

I am glad my hon. friend speaks of that. There is another case where we are giving to the provinces a lot of money in addition to what they are raising.

Mr. Ladner: Is that vicious?

Mr. Mackenzie King: I think it is, yes; I have come to the conclusion that it is a thoroughly vicious principle.

Mr. Ladner: Why doesn't the government provide for old age pensions itself instead of shifting it to the provinces?

Mr. Mackenzie King: It is the province's obligation, and so far as this government is concerned we have sought to safeguard the public treasury to the extent at least of one half of the required expenditure whereas hon. gentlemen opposite claimed they were prepared to duplicate what we are doing by assuming the entire obligation. What has been already paid in old age pensions in the province from which my hon. friend comes? We have given to the province of British Columbia \$423,105.84; to the province of Manitoba \$122,332.42; and to the province of Saskatchewan \$76,417.62; or a total to these three provinces, thus far, of \$621,855.88.

And the Prime Minister proceeded to state that hon. members would live to see the day when the annual payment will be something like twelve million dollars, which I think is