

has not the power to modify any of the conditions made.

Mr. MACKENZIE KING: I am afraid my hon. friend does not get my point which is that the government would not have had any contract at all to place before parliament if it had adopted the method he is suggesting. There are two parties to a contract when entered into and it must be understood that if it is subject to approval there it stands. You could not get another party to enter into a contract with you and agree to carry it out, if you made it subject to alteration or change at the will of another party.

Mr. SPEAKMAN: Then I merely wish to point out this further fact: In view of that statement, in view of the fact that the committee only has the alternative of accepting or rejecting in toto the agreement as presented, then the usefulness of that committee will be very small.

Mr. MACKENZIE KING: I would point out to my hon. friend that it is quite possible that the committee might recommend certain changes. Those changes would have to be subject to the approval of both parties, but that does not prevent the committee from recommending changes if it thinks alterations should be made. What I want to make clear is this: The government could have made no contract with anyone, with no responsible person whatever, without undertaking to say that the contract if submitted for approval as it stood should not be changed except with the consent of both parties.

Mr. SPEAKMAN: I quite appreciate that fact. I appreciate the fact that in entering into a signed contract the wishes of both parties must be considered and that no change can be made without the consent of both parties.

Mr. MACKENZIE KING: That is what I am arguing.

Mr. SPEAKMAN: I quite appreciate that fact, I appreciate also that unless the government is willing to give every consideration to any suggestion, that it is willing to withhold the contract until suggestions for modification have been made, and then enter into further negotiations on the basis of those suggestions, if thought wise by the committee, the committee can be of very little value.

Mr. MACKENZIE KING: I will say at once that the government will not only do that but will be very glad to welcome particular suggestions.

Mr. MEIGHEN: Then the government does not stand or fall by this contract?

Mr. MACKENZIE KING: The government stands or falls by the contract most decidedly so, but the government will be quite prepared to discuss with the other party to the contract any suggestions which the committee may make, and we believe that the other party to the contract will be just as reasonable as the government when what is proposed is in the public interest.

Mr. MEIGHEN: That is not standing or falling by the contract.

Mr. SPEAKMAN: I must confess that the explanation of the Prime Minister has not made matters much clearer. It may be that the fault is in my mind, it may be that the obscurity is in the explanation; but I do wish to point out that if this is introduced as a government measure, and if, as stated, the government must stand or fall by the acceptance or rejection of this agreement in its present form, then the government is not in a position to receive suggestions nor is it in the position to even discuss a modification of the agreement. As I understand it, the government's statement, by which they are prepared to stand or fall, is that you may add nothing to the agreement, take nothing from it, nor bring it any closer to the wind, so to speak. Therefore we must consider that the contract partakes of the nature of the law of the Medes and Persians which cannot be altered.

Mr. MACKENZIE KING: My hon. friend is usually very reasonable in these matters and I do not think he desires to misunderstand me. In fact, our points of view are similar if not identical. This is a contract between two parties and it may not be altered except by the consent of both. The purpose of the government in referring the matter to a committee is to get the committee's approval or its disapproval of the contract. If the committee disapproves of the contract in its present form and has recommendations to make regarding it, the government will certainly consider such recommendations and will be pleased to take them up with the other party to the contract. As I have already stated, the other party to the contract, I believe, would be just as reasonable and just as desirous as the government to meet the wish of the committee with respect to any change that was thought advisable. If, however, the other party to the contract should not be agreeable to this, then it would be the duty of the government to stand by the contract in the form in which it is. But once