

services in the amount of \$225,000. This sum is required in connection with the services rendered to immigrants from Hungary, and of course was not contemplated when the vote under this heading was passed last year. The increase is due entirely to extended services to these immigrants.

The next vote, honourable senators, No. 543, is for the Department of Transport, railway and steamship services, and is in connection with the construction of the auto-ferry which is to ply between Wood Islands, Prince Edward Island, and Caribou, Nova Scotia. The increased appropriation is required because the construction of the ferry is going forward more rapidly than was anticipated, and as a result payments which were expected to be made next year will be made this year.

The next item, No. 544, for the Department of Veterans Affairs, is in connection with the construction of a hospital at Deer Lodge, Winnipeg.

As in the case of the previous vote, construction is taking place at a faster rate than was contemplated and as a result payments which were expected to be made after the end of the fiscal year are being made during this fiscal year. The total vote is not being increased.

The last vote, No. 545, covers a loan to the United Nations Organization to help finance the clearing of the Suez Canal. Honourable senators recall that the canal was blocked last year, and it is now necessary to have the canal cleared so that shipping can pass through. That work is being done with the approval of Canada and other nations.

Hon. Mr. Roebuck: Why doesn't Egypt pay for it? It is her canal, and she blocked it.

Hon. Mr. Macdonald: Canada agreed with other nations that the canal should be cleared as soon as possible. The question of who is going to pay for it has not been determined. Let me assure honourable senators of that.

Hon. Mr. Horner: Who is going to be able to use the canal? There is no assurance that Canadian ships will be allowed to pass through the canal unless Nasser likes the clothes the sailors are wearing.

Hon. Mr. Macdonald: As far as our country is concerned, and I think as far as Parliament is concerned, we are anxious to do all in our power to see that this canal will be open to use by ships of all the nations of the world. That is the stand which your Government is taking and I know you will back up the Government in that respect.

Hon. Senators: Hear, hear.

Hon. Mr. Macdonald: In the meantime the canal has to be cleared. Of course, we could discuss now with the nations of the world all these questions as to who is going to pay for the clearing, when it is to be done, who is to have the use of it, and so on, but discussions of that nature might go on for months. We feel that it is better, and I think honourable senators will agree, to get the canal cleared.

Hon. Mr. Horner: The canal is being cleared at the present time at a rapid rate, according to reports. Who is taking care of the payments now?

Hon. Mr. Macdonald: The honourable senator from Blaine Lake (Hon. Mr. Horner) says the canal is now being cleared, and he is right. The expense has to be met, and it is being met now by the United Nations. But the United Nations has no funds with which to pay for the clearing of this canal, so it has asked a number of countries to advance \$10 million towards the cost of the work. In the meantime an attempt is being made to conclude arrangements which will be satisfactory and will enable the ships of all countries to use the canal. The cost of clearing the canal will greatly exceed \$10 million; it is anticipated that between \$30 million and \$40 million will be needed for this purpose.

Hon. Mr. Pouliot: Would it not be possible to spend that money on the St. Lawrence Seaway, as the United Nations' contribution to that great project?

Hon. Mr. Macdonald: The seaway is not yet opened; and I would think that the United States and Canada would prefer to have our two countries build the canal. We shall then invite all the world to send its ships here to do business with us.

Hon. Mr. Reid: Has the honourable Leader of the Government (Hon. Mr. Macdonald) any information as to what countries have been appealed to by the United Nations to contribute to this expenditure, and how much they have provided? I think we are entitled to know at least what amounts other countries are paying.

Hon. Mr. Macdonald: I am very pleased to give the Senate such information as is available, and I believe I have all there is. As I stated, Canada has been asked to advance \$1 million as a temporary loan. It is not a contribution, and I do not think the word "contribution" should be used in this connection; it is a loan to enable the United Nations to get on with the work of clearing the canal. The United States has made a loan of \$5 million, and other nations which