

If the question of finance is not at the bottom of it, why has the Minister of Finance made the statement that he has made? Why have we had the statements that have been made in the matter by Mr. Rowell? Is it a fact that this country is not in a position to supply the money for the production of shells in Canada? Great Britain is paying the cost of the maintenance of our troops overseas. Instead of sending money across to pay those bills, we have been paying for the production of shells sent across the ocean. Is that practice to be discontinued? If Canada is in this way to stop paying what she owes to Great Britain, the people ought to know it; such a course would be a grave mistake on the part of the financial people of Canada. Is the shell industry of Canada to be allowed to become extinct? Men over military age have mortgaged their properties in order that they might engage in the shell business; are they to be told, upon a week's notice, that the whole of the product of their capital is worth nothing? Are the machines that have been used in the shell industry all over Canada to be scrapped? What is going to happen to my hon. friend's business profits tax? He will have to revise his estimate of the amount of money that he will receive during the year 1917 if the business profits of the men who have been engaged in the shell industry are to be swept away for the remainder of the year.

The method adopted of dealing with the production of shells in Canada is not satisfactory. There should be no Imperial Munitions Board in this country; Canada should herself deal with the problem of manufacturing shells. Canada should do what Great Britain did: take over and operate the shell factories. If the shell industry is to be destroyed it is not because shells are not required at the front; there must be some other reason. I represent a constituency in which 2,000 men are thrown out of employment, a great number of them men over military age, who now have no means of livelihood—and we are on the threshold of another winter. This matter is one of most urgent importance. I want to know, first, whether this country is to have its hands tied; whether it is to go out of the business of helping the Allies in the war through the production of shells. I want to know, secondly, why it is that men who have invested capital in this industry are to lose their money; that workmen who have been dependent upon this

[Mr. Macdonald.]

industry for their livelihood are to be thrown out of employment. I want to know whether Mr. Rowell was right when he said yesterday in Toronto that Great Britain had made an arrangement with the United States under which Great Britain should purchase supplies in that country, not by payment in gold, but through the medium of credit. If the United States can sell to Great Britain under these conditions, why should Canada not be able to do so? It was in order that this important matter might be discussed that I moved the adjournment of the House. The men who have invested capital in this industry want to know why they should be struck down at one blow; the men who have been employed in the making of shells want to know why they should be put out of work when there is great need for shells across the ocean. Hon. gentlemen opposite, during the last two and a half years, have been laying the flattering unction to their souls that prosperity has come to Canada through the war, particularly through the manufacture of shells, and have claimed unlimited credit from the people. Yet when the shell industry is discontinued the matter is not of importance to them; Parliament, in their view, should not devote an hour and a half to its consideration.

Parliament has a right to know frankly and fully from this Government what they are going to do in regard to this matter. Are there difficulties which cannot be solved? Are the conditions insurmountable? Is Canada not to play her full part through the production of munitions in assisting Great Britain and the Allies to the utmost of her industrial ability? Is she not to provide employment for the older men and for the women who are compelled to remain at home?

Sir THOMAS WHITE (Minister of Finance): Mr. Speaker, although I am of opinion that it was entirely unnecessary for my hon. friend (Mr. Macdonald) to bring this matter to the attention of the House, a full statement having previously been made respecting it, I desire to make a very brief reply. On August 27, I stated, in reply to a question by the hon. member for South York (Mr. W. F. Maclean) with reference to this matter, that the Imperial Munitions Board, which represents the British Government in the placing of munition orders in Canada, had handed out to the press the following explanation with