

ments and stated that along the lines of its present procedure it would reach a reduction of the unemployment totals of our country. I have no fault to find with what the Commission has done. Previously in this House I complimented the Government on the selection of the personnel, at least so far as the Chairman was concerned, and I have no criticism of the other members. I do not think any man can do more than Mr. Purvis can do, and what he has done is good. But I ask you, honourable senators, is it very much? Our unemployment figures unfortunately are not reduced. A program of home improvement has been outlined and the Government, with an admixture of politics and swank, appropriated \$50,000,000 as evidence of its interest in such program. Under this plan persons desiring to renovate or improve their homes may borrow from the banks, if the banks are good enough to lend, at a fair rate of interest, by no means small; and if the banks ultimately lose, then 15 per cent of the amount loaned will be taken over by the Government and the loss paid. I presume there will be a little more inclination on the part of banks to loan when they know that only 85 per cent of their loans need to be good to enable them to escape without loss, and possibly the plan will serve as a primer of the construction pump and lead to more building of homes. I hope it will. But I observe that although it was promulgated well nigh a year ago, the total amount loaned by banks has so far reached the vast sum of \$1,000,000. So if a maximum possible loss were suffered by the Government, it would be covered by \$150,000.

The Government therefore have a respectable portion of the \$50,000,000 left. I wonder if they ever thought that this appropriation had any relation in the world to the real, actual sum that their policy represented. The only criticism I ever made of the Commission was that its work was surely within the compass of the Cabinet itself. I know there were some able men around its board; I have come into close contact with them. Does anybody in this House who knows one member of the Government well, and most of them fairly well, think that that plan was beyond the mental capacity of this Administration? There is nothing very complicated about it; no great vision is necessary for its generation. It does not seem to me that the accomplishment to date is even worthy of a place in a Speech from the Throne.

Reference is then made to certain appointments. No one can complain of any paucity of appointments, for there has been a considerable succession of them. The board of

directors of the Canadian National Railways have been appointed, as have the board of governors of the Canadian Broadcasting Corporation, and many other appointments have been made that are not mentioned here.

We are to have a revision of the capital structure of the Canadian National Railways. On that subject I do not wish to intimate that certain revisions of a relatively minor character cannot be justified. Under such revisions portions of the capital never intended to be remunerative, and which were in the nature of proper political contributions to great national purposes, may be written off and assumed by the State, added to our national debt. But if the writing off goes farther and is merely for the purpose of making the results of our railway operation appear better than they really are, then the outcome is going to be harmful and will add to the difficulties of Parliament and the burdens of taxpayers. How it will be harmful the eye of a child can see. I know some men high in finance have advocated such writing down of the capital structure to actual value, as they call it. I differ from any prince of finance in that advice. I want to see the National Railways represented as they really are; to have their assets column and their liabilities column represent reality and nothing else. If there is a representation of something that is not the whole, of something that does not give the true story of the system, then there will be an invitation to extravagance, an invitation to apply false policy, and we are going to witness both.

Certain remarks of the mover of the Address have led me to make comment on other features of the Speech. Possibly what I have to say at this point might appropriately centre around a passage in the Speech which reads as follows:

The international situation continues to give much ground for anxiety. The September Assembly of the League of Nations gave earnest consideration to the bearing of recent developments upon the activities of the League, and a committee was appointed, on which Canada is represented, to consider the question of the application of the principles of the Covenant.

I think I understand that, honourable senators; I am not quite sure. It does not mean very much. The first sentence does mean a great deal: "The international situation continues to give much ground for anxiety." The Parliament of Canada is invited to ease its anxiety by joining with the League of Nations in giving earnest consideration to the question of application of the principles of the Covenant. For myself I should like to see some more practical grap-