

Ferguson, who commented to-day on Premier Mackenzie King's statement to Dominion Trades and Labour Congress officials that the Dominion government would discuss remedial methods if the provinces join together in deciding they cannot handle it.

Then the words are quoted:

"Our unemployment problem," said Premier Ferguson, "is spotty in various sections of the province; it centres chiefly in Toronto. But we are paying the one-third excess cost to municipalities, which seems to be meeting the situation."

In other words the Premier of Ontario takes the view—and I think very sensibly—that the province is handling very well its own situation in relation to the municipalities, and certainly until the various provinces of this Dominion find that a condition has arisen with which they are unable to cope, I think in the light of what I have said that we may feel that the federal government is doing its part to the full.

Mr. ADSHEAD: Might I ask a question there? Do the reduced coal rates extend to Saskatchewan and Manitoba as well as to Ontario?

Mr. MACKENZIE KING: I think not, no.

Mr. ADSHEAD: Why not?

Mr. MACKENZIE KING: I shall have to answer that another time, I am afraid.

My hon. friend said something about conferences; he stated that in dealing with this problem President Hoover had had a conference, and asked why we did not have a conference also. That was rather interesting, coming from my hon. friend. He is evidently going to the United States and to Washington for his examples of what the government should do.

Mr. BENNETT: I might have added that they had a similar conference in England.

Mr. MACKENZIE KING: Yes, but my hon. friend did not do so. I might say that when the Dominion Trades and Labour Congress waited on the government the question was discussed as to whether or not the government had acted wisely in not having a conference similar to that called by President Hoover, and it was made very plain to the members of the administration that so far as the Dominion Trades and Labour Congress was concerned its officers thought we had taken the right course in not calling a conference. What did the conference of President Hoover do in so far as Labour was concerned? It sought to extract from the labour representatives a pledge that there would be no demands for increases in wages of any kind. That was the

purpose of that conference in considerable part. More than that, it was felt by the Dominion Trades and Labour Congress and by our administration that to call a conference when the situation did not necessitate it was only to unduly alarm the country and alarm persons who did not know the real situation, and help perhaps to bring about the very condition it was being sought to avoid.

My hon. friend made some reference to the wheat situation. I did not quite gather whether he thought that the government should have intervened in some way as between the buyers and sellers of wheat. I am glad to see him shake his head and indicate that such was not his opinion, but what he did say was that a report was in circulation to the effect that placards, as I gathered, were being broadcast on the streets of London or somewhere in England to the effect that a certain company was not using Canadian wheat, and we were denounced for not having taken immediate action in that matter. Now, what are the facts? They are that the High Commissioner's office in England made inquiry into the matter; the High Commissioner's office in Canada sent communications to the British government and the British government through its departments made inquiries into the matter, and no one was able to discover that any placards ever had been exhibited.

Mr. BENNETT: Hear, hear; that is my point.

Mr. MACKENZIE KING: And we as a government are to be chastised by my hon. friend opposite for not having protested with regard to a story that placards were in circulation, which story was untrue.

Mr. BENNETT: Surely the right hon. gentleman has not followed me. My complaint was with regard to the delay of the central government in Canada in dealing with this false propaganda.

Mr. LAPOINTE: Where was the harm if there was nothing in it?

Mr. BENNETT: I will tell the Minister of Justice what the harm was, if I may interrupt. The harm was that in western Canada the newspaper reports were being believed, and the farmers were hardening their attitude towards the purchase of British goods on which they had previously asked an increased preference up to 50 per cent.

Mr. LAPOINTE: Canada did not suffer any harm.