

tures on roads and bridges, it would be a different story. But they have reasonable expectations of having enough cash to perform the essential services of the province, including relief, and their estimated deficit arises merely from their desire to pay off a substantial amount of the savings certificates to which I have referred.

I now come to the final point brought up by the leader of the opposition. He visualizes the possibility that during the year Alberta might decide to pay the interest charges in full. I have no opinion to offer as to whether or not that is likely, but the leader of the opposition is of opinion that the dominion in such circumstances should be prepared to assist.

Mr. BENNETT: To deal with them the same as in the other cases.

Mr. DUNNING: I can only say in that regard that if we assume such a condition, and assume also that the budgetary position of the province is as reported by the bank, we assume in that case a shortage of \$600,000 in Alberta this year, according to the bank's report. May I suggest to my right hon. friend that such a shortage obviously would not become a serious matter until towards the close of the fiscal year, and I am quite sure that under those circumstances no dominion government could refuse to propose to the house at the proper time, and as soon as convenient, terms precisely the same and on the same principle as those accorded to the other provinces in like circumstances. Because instead of our changing our principle to conform to what an individual province wishes to do, we would have the situation of a province conforming to the principle which had been applied to the other two. I am in the judgment of my colleagues in the house when I say that I am quite sure that under such circumstances provision would have to be made to meet the situation.

I do not think there is anything further I have to say, but I do hope that if I have done nothing else I have at least convinced hon. members of the social credit party of Alberta that this government, and myself as the officer responsible for advising the government in regard to these matters, have laboured to avoid the slightest hint of discrimination in our attitude towards any of the provinces which have been involved in these difficulties. As I pointed out, British Columbia was refused under precisely similar circumstances, and I venture the statement to-day that British Columbia is glad rather than sorry that it was refused the loan on that occasion.

Mr. PELLETIER: What funds did it use in lieu of the loan?

Mr. DUNNING: I cannot say offhand, but I do know that on the basis of its own credit—

Mr. PELLETIER: It was sinking fund, was it not?

Mr. DUNNING: I believe they used some of their funds, and the credit of British Columbia in the markets of the world has gone steadily upward since that refusal. I believe that is all I have to say.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Sanderson in the chair.

Sections 1 to 6 inclusive agreed to.

Schedules agreed to.

On the preamble.

Mr. PELLETIER: There are two statements which I cannot let go unchallenged. The Minister of Finance stated that the three western provinces were treated alike so far as the loan council scheme was concerned. I should like to ask if the province of Alberta was given the opportunity of refusing the same terms offered to the province of Saskatchewan?

Mr. DUNNING: Exactly.

Mr. PELLETIER: The minister stated that the credit of the provinces affected the credit of Canada as a whole. It is a fact that Alberta has had to default on a portion of its interest. I should like to know if the minister feels that if the federal government does not provide the necessary assistance to Manitoba and Saskatchewan, those two provinces will be forced to default.

Mr. DUNNING: I am not prepared to answer that latter question. I am in a position of too great responsibility in relation to the credit of Canada to answer such a question.

Preamble agreed to.

Bill reported, read the third time and passed.

MESSAGE FROM THE GOVERNOR GENERAL'S SECRETARY

PROROGATION OF PARLIAMENT

Mr. SPEAKER: I have the honour to inform the house that I have received the following message:

Sir,

Ottawa, April 10, 1937.

I have the honour to inform you that His Excellency the Governor General will proceed to the Senate chamber on Saturday, April 10, at 9 p.m. for the purpose of proroguing the present session of parliament.

I have the honour to be, Sir,

Your obedient servant,

A. S. Redfern,

Secretary to the Governor General.