

that was about to be created if Sir Henry Thornton were to let out a large number of men. Therefore as a government we told Sir Henry Thornton that we would be prepared in parliament to back up the Canadian National Railways in keeping on such men as he felt he could, though he might have to let out a few.

Mr. PRICE: In what territories were employees retained?

Mr. MACKENZIE KING: I cannot give my hon. friend details.

Mr. ARTHURS: Can the hon. gentleman state any place?

Some hon. MEMBERS: Order.

Mr. MACKENZIE KING: I think the house appreciates what I am presenting at the moment. I am trying to point out that as between taking money out of the federal treasury to hand to the provinces to help relieve unemployment and keeping men on the payroll of the Canadian National Railways, the latter course I believe from the point of view of the Dominion as a whole was infinitely preferable and a better contribution to the solution of the unemployment problem.

Then I might also say that another way in which the federal government has sought to deal with this situation has been to press forward its building of public works as rapidly as possible. The railways themselves have announced an extensive program of construction. I presume that if the sole object had been to make a showing in the matter of receipts as against expenditures, some of these things might have been deferred, but believing that it was the most helpful way of meeting the situation the government lent itself to that course of procedure.

Similarly with regard to some of the men working in the mines. My hon. friend spoke this afternoon of the miners at Fernie. I have a communication here which illustrates the effect of the government's action in the matter of helping men employed in our mines. This letter is signed by Wilfrid R. Kell, Secretary of the Western Canada Fuel Association, and is dated Winnipeg, December 19, 1929. It is addressed to myself and reads as follows:

Sir:

At a special meeting of the directors of this association, held December 11th, the matter of market extensions for western Canadian coals was discussed. I was instructed to express to you, on behalf of the coal industry of western Canada, our deep appreciation to the Dominion government for extending the special test rate period on Alberta coal moving to Ontario.

The additional six weeks given to producers
[Mr. Mackenzie King.]

could not have come at a more opportune time. The season this year has been very slow indeed, owing to opening of new mines, mild weather, and the growing competition of American coal and coke and substitute fuels. As a consequence the mines of Alberta have been running on short time and there is much unemployment and actual hardship among the miners and their families, both in Alberta and eastern British Columbia.

The action of the government in making the Ontario market available for a longer period has helped materially in providing work for a large number of miners who otherwise would have faced the Christmas season heavily in debt and with neither money nor employment.

May I further point out that in the speech from the throne there is particular mention of the fact that the western provinces are having returned to them their natural resources. When the bills are brought down it will be seen that the government, in the agreements which have been reached, has agreed not only to return the resources but to continue the subsidies which were originally given in lieu of lands and to continue them not merely at the present rate but at a progressive rate to which these provinces will become entitled as they themselves grow in population. In other words, in our legislation this year we are making provision in the western provinces, as we have already done in the maritime provinces, for additional grants from the federal treasury to those provinces to help them meet the situations with which they are faced. When one takes into consideration all these circumstances I think, Mr. Speaker, it will be apparent in so far as the federal government is concerned that we have realized to the full our responsibility in the matter of helping to solve any question of unemployment.

May I say further, speaking of unemployment and the relation between the dominion and the provinces respectively, that the province of Ontario, which is the largest of the provinces, has not hesitated to make clear its position as to there being no necessity for federal aid. I have in my hand a statement which appeared in the *Ottawa Citizen* of January 24 of this year, a statement made by Premier Ferguson of the province of Ontario in relation to a statement which I made to a delegation from the Dominion Trades and Labour Congress. This statement was sent out by the Canadian press on January 23 and reads as follows:

Problem Being Handled
Says Premier Ferguson

Comments on Premier King's
Unemployment Statement

Toronto, Jan. 23.—Ontario is handling its unemployment situation and so far has had no request from other provinces to seek aid of the federal government, according to Premier