

country the urgency of proceeding now is being based on the ground that in both its aspects, power and navigation, the project is necessary for purposes of the war.

From the standpoint of navigation, I do not know how it is that we are suffering and being hampered in our war effort because of conditions on the St. Lawrence. It would take a lot to persuade me that the St. Lawrence development would be the direction in which to expend our energies and substance if we were moved only by the intensity of our desire to win the war.

From the standpoint of power, I cannot convince myself that it is right to enter upon this venture now. We have, without any question, a large volume of undeveloped power. And I do not think I am speaking in ignorance of the facts if I say that at the present time we have a large volume of developed power unsold—not a merely meagre amount, by any means, but large amounts—particularly in the province of Quebec, and in more than one section of that province.

It might be wise to undertake this venture, in fact I think it probably would be, if we had not extraordinary burdens to bear at the present time; extraordinary from the standpoint of our finances and of our workers, our engineers and skilled mechanics of every kind. But we have extraordinary burdens—burdens so vast it is almost beyond our comprehension to measure them. One bends beneath the very weight of the thought of what stands ahead of us in the way of financial outlay and of strain on the energies of our people.

Now, though some engineers may say one method is better than another, I do not care which you adopt; you could not finish the job next month, next year, the following year or the year after that. It would be difficult to estimate the time required, but it would be years before you were through. Under the plan of 1932, I think, the estimate was seven years. It probably would have run over that period. I think it is making considerable demands upon our credulity to ask us to believe that something which could be finished two, three, four, five, six or seven years from now, by the application of tremendous human energy, the absorption of a vast number of people and the expenditure of an almost unprecedented amount of money, obtained by borrowing or otherwise, would be a prudent step towards the winning of this war. One has to look ahead, it is true, but instead of looking ahead three, four or five years, it is better to look one year—yes, one month ahead, and just make certain there is not something else far more vital, far more pressing than this venture. How

far the Government has gone I do not know, and I do not know what attitude other members of the party to which I belong may take towards the project, but I know my own disposition is as I have sought to express it at this moment.

Hon. Mr. DANDURAND: I may inform my right honourable friend that we shall have many opportunities to discuss this project—

Right Hon. Mr. MEIGHEN: Quite so.

Hon. Mr. DANDURAND: —with fuller data available than we have before us just now. It seemed to me that as the President of the United States had expressed his sentiments to Mr. Berle, I think in Detroit, it was but just that the Senate should be seized of the statement the Prime Minister made in the other House.

Right Hon. Mr. MEIGHEN: Quite right.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 p.m.

#### WAR EXCHANGE CONSERVATION BILL FIRST READING

A message was received from the House of Commons with Bill 9, an Act respecting the Conservation of Exchange.

The Bill was read the first time.

#### SECOND READING

Hon. RAOUL DANDURAND moved the second reading of the Bill.

He said: Honourable senators, I do not think that I need enter into all the details of the Bill which is now before us. It will suffice, perhaps, to state its object, which, as appears from the title of the Bill, is the conservation of exchange.

We are all aware of the fact that in our dealings with the United States there is a substantial adverse balance of trade against Canada. The purpose of this Bill is to restrict importations from the United States in such a way as to diminish that adverse balance. If there is a saving of even \$6,000,000 a month, as has been suggested by the Minister of Finance, there will be that much more Canadian money available to meet our obligations in the purchases of war materials from the United States.

There is no doubt that the United States are being restricted in the advantages they have enjoyed under the convention; but it is quite evident that they are losing nothing, inasmuch as the savings resulting from the import prohibition will go to that country to pay for war materials purchased by Canada.