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OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

FOURTH SESSION—NINETEENTH PARLIAMENT

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OTTAWA
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CANADA

House of Commons Debates

OFFICIAL REPORT

Friday, May 28, 1943

The house met at three o'clock.

AGRICULTURE COMMITTEE

Mr. T. F. DONNELLY (Wood Mountain) moved:

That the first report of the standing committee on agriculture and colonization, presented to the house on Wednesday, May 26, be concurred in.

Motion agreed to.

NATIONAL WAR LABOUR BOARD

TABLING OF DECISION WITH RESPECT TO MONTREAL TRAMWAYS EMPLOYEES

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, yesterday I promised the hon. member for Vancouver East (Mr. MacInnis) that I would table a copy of the decision of the national war labour board in the case of the employees of the Montreal Tramways. I now do so.

LABOUR CONDITIONS

AGREEMENT WITH UNITED STEELWORKERS UNION —"CRISIS IN STEEL"

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Prime Minister. There has come to the desks of members of parliament this morning a publication of the United Steelworkers of America entitled "Crisis in Steel." It contains serious allegations against the government in connection with the settlement of the strike in January of this year. Among the startling allegations made there will be found at page 3 of the publication the following:

> There was indeed a settlement solemnly agreed upon by both parties. The steelworkers' leaders had promised to recommend the terms and to urge that work be resumed at once. The government had promised to implement those terms. The steelworkers kept their promise; the government did not.

In view of the statement made in the publication, and the rather widespread press comment thereon, I would ask the Prime Minister (Mr. Mackenzie King) to make a statement to the house, commenting on the allegations the steel workers have made.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my recollection is that yesterday the Minister of Labour (Mr. Mitchell) asked that certain questions appearing on the order paper in the name of the hon. member for York South (Mr. Noseworthy) should be passed as an order for return. I suggest that instead of having a return made which might not be immediately available to hon. members, the contents of the return might be placed on *Hansard*. It would I think constitute a reply to my hon. friend's question. I believe the replies to the questions asked by the hon. member for York South will be found to answer pretty conclusively the statements contained in the pamphlet to which my hon. friend has referred. In other words it would place on record the government's statement of the position. So far as I am aware, the government has implemented to the full every undertaking it gave at the time it had its conferences with the steel workers.

Mr. GRAYDON: I would ask a supplementary question. I have no knowledge f what was contained in the return, which I understand the Minister of Labour tabled, nor am I sure that it dealt with the matters discussed in the booklet "Crisis in Steel". Does the information which has been tabled represent the full government answer to the questions which have been raised in this booklet?

Mr. MACKENZIE KING: I have not read the booklet, so that I am unable to say whether or not it is a full answer. I suggest that the house agree to having the documents which have been tabled as a return printed in *Votes and Proceedings*. I believe the replies as given there will be found pretty well to answer what my hon. friend has in mind.

Mr. GRAYDON: Perhaps any further questions I may have to ask with respect to this had better be reserved until such time as I have had an opportunity of seeing what the government's answer is in this other matter.

TRANSFER OF MINERS TO COAL MINES FROM OTHER INDUSTRIES

On the orders of the day:

Mr. CLARENCE GILLIS (Cape Breton South): Mr. Speaker, I wish to direct a question to the Minister of Labour arising out of two telegrams I have received, one from the steelworkers union and the other from the mineworkers union of Nova Scotia. Copies of these telegrams have been forwarded to the Prime Minister. The telegrams express apprehension if the order regarding the transfer of miners from other essential industries is put into effect immediately without due investigation into the physical capabilities of men so transferred. They are requesting an extension of the date at which the order becomes operative and suggest that a representative of the Department of Labour should proceed to the Pictou shipbuilding plant to conduct such an investigation. Will the minister explain to the house the machinery that will be used in applying this order? Are the miners' union and the steelworkers' union and the shipbuilders' union in Nova Scotia being consulted and working with selective service in the application of the order in council? If not, why not?

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, I thank the hon. member for Cape Breton South (Mr. Gillis) for giving me notice of his question regarding the transfer of miners from other essential industries, and in respect of the physical capabilities of men transferred to underground work who are physically incapable, and in regard to those who feel that a transfer even to surface work would be detrimental and would like to have their cases investigated and if necessary a medical examination made.

The hon. member asks as to the machinery which will be used in implementing the government's decision in regard to moving coal miners back to coal mines. The answer, of course, is that our chain of employment offices across Canada will be used. At the moment, as hon. members are aware, the order is not effective and does not become effective until June 1, 1943. However, any men who report for work are being placed. When the compulsory features of the order become effective it will be the duty of each employer to send any ex-coal miners he has in his employ to the employment offices, and it will be the duty of the employee to report. At this stage he will be immediately placed in the coal mines if there is an opening for him and if he is found to be fit and capable for the work. If there is no immediate opening for him he will be allowed to resume his former employment on a temporary permit. Transportation will be supplied and the other conditions set out in the order in council will go into effect.

If the man objects to the transfer he has a right of appeal to the court of referees, whose decision is final. At this stage if there is any question in regard to physical capabilities, a medical examination will be arranged.

Before the government decided to pass the order in council it was considered by the national selective service advisory board, on which labour is represented, and the board approved the recommendation in principle. A further conference was held with the coal mining industry advisory committee, on which are representatives of coal mine operators and coal mine workers.

As stated in answer to a question raised by the hon. member for Cape Breton South the situation at Pictou, where a large number of men from the coal mines who have engaged in shipbuilding are required to return to coal mining, will be investigated. As a matter of fact arrangements to this end have already been made.

Mr. GILLIS: Would the minister mind explaining who comprise the court of referees?

Mr. MITCHELL: It was established under the unemployment insurance legislation, as my hon. friend no doubt knows. We are using these courts all the time right across Canada as appeal courts for men who feel that their transfer to some more essential industry is not fair or in keeping with the principles underlying the order in council.

Mr. GILLIS: Rather slow for an emergency.

Mr. McGARRY: I wish to ask a question of the minister relating to the fuel shortage so far as the supply of labour is concerned. In the effort to deal with the fuel shortage crisis, does the minister deem it necessary that all men who in peace time were engaged in mining, but are now employed in other industries, should be reverted back to the mines?

Mr. MITCHELL: My reply to my hon. friend is, yes. Further, replying to the hon. member for Cape Breton South, whose question I did not quite catch, but who asked, I believe, whether the board of referees would rule on the case of a man who thinks he has

been unjustly dealt with, I wish to point out that these boards of referees are composed of employers and employed; in the majority of cases the employees are representatives of trades unions, and it is somewhat like the policy adopted in Great Britain under similar circumstances, where there is a compulsory transfer of labour.

ONTARIO ELECTION

DELIVERY AND DISTRIBUTION OF VOTING PROXIES FOR ARMED FORCES OVERSEAS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I should like to ask the Prime Minister what arrangements have been entered into between the government of Ontario and this government with respect to the delivery and distribution of voting proxies for the armed forces overseas in connection with the contemplated provincial election in Ontario. I would ask the Prime Minister to inform the house on these points. First, have the proxies been sent overseas and, if so, when were they sent and through what department of this government? Second, how and by whom will the proxies be distributed to the armed forces overseas? Third, have any arrangements been made by this government for any officials of the dominion government or the Ontario government to proceed overseas in connection with the work of such distribution, and, if so, what officials are being sent by either the federal government or the government of Ontario? I understand that in the normal course of events the government of Ontario must work in cooperation with this government in connection with the work involved.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am not in position myself to give my hon. friend an answer, but I think my colleague, the Minister of National Defence for Air, can give at least some of the information requested.

Hon. C. G. POWER (Minister of National Defence for Air): I am not in position to answer all the questions that have been asked.

Mr. GRAYDON: Do your best.

Mr. POWER: All I can say is that Major Lewis, who is the chief election officer in the province of Ontario and therefore in charge of matters concerning elections, called upon me, and I think some of the officers of the defence forces. Without asking us specifically to take any particular action, he inquired if we would cooperate to the fullest extent possible. We told him that we would. Speaking on behalf of the three ministers, I do not think there will be any difficulty about cooperating with the Ontario government.

Mr. GRAYDON: Perhaps the minister's knowledge does not go this far, but does he know whether the proxies have yet been sent?

Mr. POWER: We did not discuss details. All that was said was that we would be willing to help out and do whatever they asked us to do, having regard to the exigencies of the operation.

COMMITTEES OF THE HOUSE

PROCEDURE IN CALLING OF MEETINGS

On the orders of the day:

Mr. H. C. GREEN (Vancouver South): I should like to direct a question to the Minister of Justice. On February 22 he moved for the setting up of a select committee of the house to consider and review the defence of Canada regulations and also the law relating to naturalization and deportation, I believe the committee met subsequently to choose a chairman, but no meetings have been held since the appointment of the chairman. The subjects to be considered by this committee are of great importance, and I should like to know if there is not some way by which the government can see to it that the work of this committee is commenced now so that something may be accomplished before the house adjourns.

Hon. L. S. ST. LAURENT (Minister of Justice): I do not know that there is any way in which the government can direct the proceedings of a select committee of the House of Commons. As the hon. gentleman has stated, this committee was set up on February 22. I have turned up *Votes and Proceedings* of the house to see what happened, and I find that on March 17 and on March 24 certain changes were made in the personnel of the committee. A notice for a meeting on March 26 appeared in the *Votes and Proceedings* of March 22 and the following day. I heard after March 26 that a chairman had been chosen. When I received notice yesterday from the hon. member that he intended to ask these questions, I mentioned them to the hon. member who I understand had been chosen as chairman. He told me that he had been discussing the possibility of holding a meeting this week with other members of the committee, but it was found that some of the members of the committee were to be away on official business to-day, the day suggested for the meeting. He told me that

arrangements were being made for the committee to meet some day next week. I have no doubt that the fact that the hon. member has brought the matter to the attention of the house will make the members of the committee realize that all the members of the house are interested in the matters which have been referred to the committee for consideration.

Mr. NOSEWORTHY: What steps should a member of that committee take to bring about a meeting. Each week for the past four or five weeks I have asked Mr. Dun and the chairman of this committee to hold a meeting, but without any success. I wonder if the Minister of Justice can tell me what should be done.

Mr. ST. LAURENT: I have searched the rules of the house and I have not found anything which deals specifically with that. I understand that the select committees meet upon notice which the clerk of the committees causes to be inserted in *Votes and Proceedings*. I am sure that the hon. gentleman, who is a member of the committee, will experience no difficulty in arranging with the chairman of the committee or with the clerk of committees to have a notice of meeting published in *Votes and Proceedings*.

Mr. GORDON GRAYDON (Leader of the Opposition): I had some difficulty in connection with the public accounts committee. I brought it up in the house once or twice and finally I asked the Prime Minister about it. He suggested that there was a certain procedure which should be followed and he was good enough to give me the procedure. He said that any member of our party who had been appointed a member of the public accounts committee could write to the clerk of committees. That was done at once by one of our members, and although the committee had been set up quite a while before, we finally did get action. I think that is the procedure that must be followed, if I can take the Prime Minister's word on that particular point.

There is another matter I should like to bring up in connection with the radio broadcasting committee. Surely the government has some responsibility in connection with these committees. It is all very well to try to throw it off on private members, but there is some responsibility upon the government to take action with respect to these committees. On May 7, the radio broadcasting committee was set up, but since this other matter came up I have been making inquiries and I find that nothing has been done to call this committee. That was three weeks ago, and there is a lot of work to be done by this committee. If we are to finish this session within any reasonable length of time we may have the same result that we had last year, that is, the report of the committee will be left to the last and there will be no opportunity to discuss it, perhaps no opportunity even to move concurrence. Then there is likely to be criticism of hon. members if they attempt at the next session to discuss matters that should have been discussed at this session.

This committee is under the jurisdiction of the Minister of National War Services, and I should like him to make some explanation as to why the committee has not met. I feel that the government has a responsibility, even greater than that resting on private members, with respect to the calling of these committees and seeing that they function.

Hon. L. R. LaFLECHE (Minister of National War Services): I am hardly in position to give an explanation to the leader of the opposition, but I am in position to express my gratitude to him for having brought up this matter. Having assured myself that certain gentlemen who I understand will be called as witnesses will be available at an early day, yesterday I suggested to certain gentlemen who are members of the committee that we should have an early meeting. I am sure these hon. gentlemen will get busy and do as requested.

ICE

RESTRICTIONS OF DELIVERIES TO THREE TIMES A WEEK

On the orders of the day:

Mr. D. C. ABBOTT (Parliamentary Assistant to the Minister of Finance): Mr. Speaker, I should like to refer to the question which was asked on Friday of last week by the hon. member for Shefford (Mr. Leclerc) who said that he had received several complaints with regard to the order of the wartime prices and trade board prohibiting ice deliveries to private residences oftener than three times a week, and urged that deliveries be authorized at least four times a week.

The wartime prices and trade board have considered the situation and although the hon. member is not in his seat he will be glad to learn that the order has been amended providing that for the period commencing May 31, 1943, and ending October 2, 1943, distributors may make regular deliveries of ice to an ordinary place of residence up to six times each week provided that not more than one such delivery shall be made to any one place of residence on any one week-day.

SEED POTATOES

CEILING PRICE AND REGULATIONS AS TO SALE

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): May I ask the Minister of Finance whether he is prepared now to make the statement on seed potatoes which he hoped to make?

Mr. D. C. ABBOTT (Parliamentary Assistant to the Minister of Finance): During the last few days seven questions have been asked by hon. members regarding potatoes. This is a problem that concerns the Department of Agriculture from the point of view of production and the wartime prices and trade board in so far as the questions relate to the price of potatoes. As most of the questions were about prices, it was decided that the answers should be given on behalf of the Minister of Finance, though part of the information has been obtained from officials in the Department of Agriculture.

In addition to dealing with the specific questions asked, I propose to adopt the suggestion of the leader of the opposition and make a brief statement regarding the potato situation in general.

The yield of potatoes in 1942 was unsually good, 70 million bushels being produced in Canada compared with 65 million bushels in 1941. But like many other foods, consumption has been rising. Canadian consumers have been eating more potatoes, while substantial quantities have been converted into the dehydrated product for use by the armed forces and shipment overseas. Consequently, in spite of the good crop, shortages have appeared. These have been most acute in British Columbia, Ontario and Quebec, which are deficiency areas and dependent for part of their supplies upon outside sources.

Another factor contributing to the shortage has been the reduction in imports of new potatoes from the United States this spring. Normally, fairly substantial quantities of United States potatoes are marketed in Canada before the Canadian crop is available. This year the United States is suffering from a more serious shortage of potatoes than Canada, with the result that prices in that country have risen above Canadian ceiling prices and only a very few cars have been imported.

In order to distribute available supplies of potatoes as equitably as possible, the wartime prices and trade board has adopted some exceptional measures. On shipments of potatoes from the maritime provinces into Quebec and Ontario, the board has, in effect, been requisitioning cars of potatoes and directing them into districts of greatest need. In order to make prairie potatoes available in eastern Canada, the board has also been paying a freight subsidy equal to the difference between the laid down cost of the potatoes shipped from the prairie provinces and the eastern Canadian ceiling prices.

I will now deal with the specific questions asked. The hon. member for Huron North (Mr. Cardiff) asked a series of questions relating to seed potatoes. He asked:

> Must potatoes sold as seed potatoes be labelled as such, and if not, what check is there to show that they are not potatoes for domestic consumption?

The answer is that certified seed potatoes must be sacked and labelled as such. The hon. member then asked:

> Is there a ceiling price on potatoes sold for seed and, if so, how much?

The answer is that there is no ceiling price on certified seed potatoes. I would point out, however, that only a very small fraction of the potatoes sown in Canada—possibly less than 10 per cent—are certified seed, the balance being ordinary table stock, on which there is a ceiling price.

The final question of the hon. member for Huron North was:

> Has the minister received any complaints that potatoes being used for domestic consumption are being sold as seed potatoes?

The answer to this question is that neither the Minister of Finance nor the Minister of Agriculture has received complaints that ordinary table stock potatoes are being sold as certified seed potatoes.

Mr. GRAYDON: Do I understand that neither the Minister of Finance nor the Minister of Agriculture has ever heard of these complaints?

Mr. ABBOTT: That is right. I think what my hon. friend intended to ask was whether seed potatoes were being sold for domestic consumption, but his question was whether table stock potatoes were being sold as certified seed potatoes. If he intended to ask the question I have just suggested, complaints have been received that certified seed potatoes have been sold for domestic consumption and an order of the board was passed on May 12 prohibiting such sale.

Mr. FRASER (Peterborough West): Are ordinary potatoes being sold for seed?

Mr. ABBOTT: The majority of potatoes sold in Canada are not certified seed potatoes, but the ordinary table stock potatoes.

The hon. member for Lethbridge (Mr. Blackmore) also asked two questions, one relating to the price of seed potatoes and the

possible effect of such price on seeding, and another as to what precautions had been taken to guard against a serious potato shortage next fall and winter. Prices of certified seed potatoes not being under a ceiling have risen to somewhat higher levels than usual as compared with ordinary table stock potatoes. These prices have not interfered with demand, however, which is very active. I am informed that the quantity of certified seed potatoes distributed in Canada this year is higher than ever before, the increase in Ontario and Quebec being in the neighbourhood of 25 to 30 per cent.

Exports of certified seed potatoes were placed under control by permit several weeks ago and supplies which would otherwise have moved for export are now being diverted into the domestic market.

Now as to the steps taken to stimulate production during the present year. First, I should point out that ceiling prices on table stock potatoes have been fixed at levels substantially higher than prevailed during the base period, even after taking into account normal carrying charges, which may provide some encouragement to production.

The Department of Agriculture has also been active in its production campaign. At the dominion-provincial meeting in December, definite plans were laid for increased potato acreage, and dominion and provincial departments of agriculture have been in constant communication on production plans in subsequent months. The goal for 1943 is 560,000 acres against approximately 506,000 in 1942. Each province has accepted a share of this dominion total and has been carrying on active promotional work. I might also mention in this connection the victory garden campaign.

Yesterday the hon. member for York-Sunbury (Mr. Hanson) referred to newspaper reports of a black market for maritime potatoes. I am informed that some preliminary investigations have been made by officials of the wartime prices and trade board in the maritimes, but so far no evidence has been received to substantiate the report that such a black market exists. The situation is being further investigated.

Mr. GRAYDON: May I ask—I do not know whether to call him "the deputy minister"—

Mr. MACKENZIE KING: "Assistant to the minister."

Mr. GRAYDON: May I ask the Prime Minister how we are supposed to address parliamentary assistants?

[Mr. Abbott.]

Mr. MACKENZIE KING: Parliamentary assistant to the Minister of Finance.

Mr. GRAYDON: Then I ask the parliamentary assistant to the Minister of Finance this question. Has his minister, or has the Minister of Agriculture, or his parliamentary assistant, had any reports or complaints that potatoes have been coming to dealers' hands or retailers' hands as the ordinary domestic product, not certified seed, which were then sold to the public at the higher, un-ceilinged prices of certified seed potatoes? I believe most hon. members have had complaints of this practice here and there.

Mr. ABBOTT: No, we have had no complaints that ordinary domestic stock potatoes have been sold as certified seed potatoes. That is a proceeding which would be contrary to the regulations, and a person involved would be subject to prosecution. There have been some complaints of certified seed potatoes having been sold for domestic use, and as I pointed out a moment ago, an order has been passed dealing with that.

Mr. COLDWELL: What steps will be taken this year to encourage farmers to store potatoes? Last year there was a bountiful crop on the prairies, and many thousands of tons this winter have been destroyed because they were not stored. I know of farmers who have caves of potatoes who are just feeding them to the stock, because there has been some deterioration during the winter; and when, in the autumn, the crop was bountiful they were not encouraged to take care of them. I know I drew the situation on the prairies to the attention of the Minister of Agriculture—last December, I think it was—and suggested that some steps should be taken to keep the potatoes for further use, but they have been destroyed.

Mr. ABBOTT: I am not in a position to answer that. As I pointed out at the beginning of my statement, the question of production is the primary responsibility of the Minister of Agriculture, but I will bring the hon. member's question to his attention and ask him to have it answered.

Mr. BLACKMORE: With reference to the question of seed potatoes, it would be unfair to ask the minister to give offhand the prices at which these potatoes are now sold throughout Canada. But would he give the house on Monday an idea of these prices? It has been drawn to my attention that prices for seed potatoes asked by the retail stores in Ottawa are exorbitant beyond all reason. I

myself called at two or three stores yesterday and asked, as though I were a prospective buyer of seed potatoes, what the price was, and I hesitate to mention it on the floor of the house lest I should be accused of extravagance. I submit that the matter should be looked into at once. Now is the time to see to it that the seed potato situation is attended to and not in two or three weeks' time, when it will be too late.

Mr. ILSLEY: How wide an area does the hon. member wish me to cover? He has asked me for a statement covering prices in all parts of Canada. Do I understand that that is what he wants?

Mr. BLACKMORE: Take the prevailing prices in the different provinces, in the various centres of the provinces. If the prices mentioned to me in Ottawa yesterday are any indication of the prices prevailing throughout the country, I would say that a large percentage of prospective planters of seed potatoes will not plant them at all.

Mr. MacNICOL: What was the price?

MEAT

INQUIRY AS TO DISTRIBUTION OF PRICE CHARTS

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): Yesterday was the first day of meat rationing; and yesterday, also, the ceiling was raised on meat prices. I understand that there are price charts printed on meat prices. Can the minister tell us whether those charts have been issued yet to the retailers and also to the householders?

Hon. J. L. ILSLEY (Minister of Finance): To the retailers?

Mr. FRASER (Peterborough West): And the householders.

Mr. ILSLEY: I am not in a position to give the hon. gentleman that information.

Mr. FRASER (Peterborough West): Can the minister find out?

Mr. ILSLEY: Oh, yes.

Mr. FRASER (Peterborough West): Because there were no price charts issued up to yesterday morning.

WAR REFUGEES

INQUIRY AS TO ADMISSION OF JEWS UPON RELEASE FROM ENEMY TERRITORY

On the orders of the day:

Mr. S. H. KNOWLES (Winnipeg North Centre): Mr. Speaker, I should like to direct to the Prime Minister a question of which I gave him notice earlier in the day. Has the government received a copy of a resolution adopted recently by the annual conference of the western division of the Canadian Jewish Congress, which was held in Winnipeg? The resolution to which I refer requested that sanctuary be provided in Canada for a reasonable number—and I quote these words directly from the resolution, "sanctuary for a reasonable number"—of Jewish refugees who may be released from nazi-held territory. In the light of the untold suffering of these people, will the Prime Minister make a statement either as to the nature of any reply to this resolution, or as to the attitude of the government in this matter?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I did not receive my hon. friend's note until just before coming into the house. I had not an opportunity to find out definitely whether the particular communication to which he refers has been received, but I think I should be safe in saying, having regard to the number of communications which have been received on the subject to which he refers, that it would be among the number.

Yesterday the hon. member for York-Sunbury (Mr. Hanson) asked me if I would consider making a statement with respect to refugees from Europe generally, and the government's attitude towards the problem. I had better wait, I think, until I make the statement on refugees generally before attempting to reply to that part of the problem which would refer exclusively to members of the Jewish community. I shall, I expect, be making the statement in the course of a few days.

Mr. COLDWELL: May I ask the Prime Minister, Mr Speaker, whether, when he makes a statement on the refugee situation, he will call an item in external affairs so that there may be an opportunity for discussion, instead of giving a statement that will not afford that opportunity.

Mr. MACKENZIE KING: I may take up the subject when I get to the estimates of the Department of External Affairs.

CANADIAN FORCES

AGRICULTURAL LEAVE—QUESTION OF FURTHER EXTENSION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I ask the Minister of National Defence a question respecting seeding leave for the armed forces. As the minister knows, seeding operations in Canada have been delayed because of the weather to the extent that farmers have not had a similar experience in several decades. I know that in the various military districts seeding leave has been granted to a great many soldiers. May I ask the minister, first, what was the normal or average period of leave granted to men in the armed forces to enable them to engage in spring seeding operations this year; second, is the minister giving consideration to the extension of this period of leave, in view of the fact that some farmers may find that leave will be over before they can get on the land?

Hon. J. L. RALSTON (Minister of National Defence): The normal period for which leave was granted was, on the average, six weeks. With regard to requests for further extension, I am advised that, except in the case of one particular formation, there have been practically no requests. I may say that in that particular formation the general officer commanding has been instructed to use his discretion, having regard to the military situation and to the merits of the case, and I propose to give instructions that the same consideration be extended in connection with any other applications which are made where the circumstances are such that the seeding operations have been seriously interfered with on account of weather, and the applicant has not been able to utilize the full six weeks of leave granted.

INQUIRY OF THE MINISTRY

PROCEDURE IN QUESTIONS ASKED ON THE ORDERS OF THE DAY

On the orders of the day:

Mr. S. H. KNOWLES (Winnipeg North Centre): Mr. Speaker, may I ask the Minister of Labour a question, notice of which I sent him yesterday? Has the government reached a decision—

Mr. SPEAKER: Order. Hon. members have been asking whether the government has reached decisions concerning different matters and whether it has decided upon a particular policy. I must direct the attention of the house to the form of questions that are being asked on the orders of the day. These questions are out of order. In view of the urgency of certain questions, however, for example with regard to seed potatoes and matters of the kind, I have allowed them; but I must once again point out that there are only certain questions that can legitimately be asked on the orders of the day, and certainly questions concerning government policy are not among them. Some hon. members seem to have taken the position that the mere giving of notice of questions to a minister is sufficient to justify these questions and to bring them within the rules of the house. That is not so. Hon. members may ask only such questions as are of immediate urgency and such as ministers may reply to in accordance with the rules; but simply to give notice of a question which may not properly be asked under the rules does not justify it.

Mr. KNOWLES: The question which I was anxious to direct to the Minister of Labour had to do with the status of dominion and provincial minimum wage rates. I wonder, Mr. Speaker, whether a statement in that regard is permissible.

Mr. SPEAKER: That is hardly a question that can be asked on the orders of the day and certainly it should not be put. I must point out further that a practice is coming into vogue in the house of putting supplementary questions to elicit answers in addition to those given by ministers. If the rules permitted it, that would be entirely proper; but the rules do not permit of supplementary questions being asked. I have allowed a number of these questions where explanations or statements by ministers might reasonably be requested, in circumstances where the minister would no doubt wish to have his remarks made as clear as possible. But I must point out that the rule is as I have stated.

BUSINESS OF THE HOUSE

WAR APPROPRIATION BILL—PROCEDURE IN DISCUSSION IN COMMITTEE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I wish to make one request of the Prime Minister and of the government, if I may. We are now proceeding with the war appropriation bill in committee. I am not sure what the procedure will be with respect to calling in sequence the various departments in committee, but two of the departments have now been called, that of national defence as related to the army and national defence for air, the minister in charge

of which gave his statement a week ago to-day. After these two departments which have now been opened up have been disposed of in debate in committee, I would ask the government to consider seriously the question of allowing the Department of Labour to be taken up next. I make that request for this reason. During the debate in committee we have found ourselves handicapped in the discussion of man-power by reason of the fact that we have dealt with the subject in piecemeal fashion, and the Minister of Labour has expressed on two or three occasions the desire to get on and to give his remarks on the man-power question. We feel that man-power at the present time is perhaps the most important problem facing us in parliament and I should like to see the committee come to grips with it in a broad way rather than, as I have said, only in the piecemeal manner that has been possible so far. I should like to have the Prime Minister consider this suggestion and, if it is not possible, he might at least give us an undertaking that at the earliest opportunity the man-power situation will be brought up for discussion.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I would assume that the logical procedure would be to conclude with the departments of defence before taking up any other department. Munitions and supply is of course a department that is much concerned with the question of man-power. Whether it would be advisable to have that department taken up before the Department of Labour is a question which I should like to have a word about with my colleague, the Minister of Munitions and Supply, in conjunction with the Minister of Labour, but it might be understood that either of these two departments, as might best suit the convenience of hon. gentlemen opposite, could be taken up after the three defence departments are disposed of.

Mr. GRAYDON: I can understand the Prime Minister's position with respect to the three departments of defence. They may be interrelated in such a way as to make continuous discussion of the three desirable. I cannot agree, however, that munitions and supply should come before labour, because the man-power situation must be grappled with in the house and we cannot do it properly until the Minister of Labour makes his statement.

Mr. MACKENZIE KING: I was not suggesting that we would not proceed first with labour, but that in the absence of the Minister of Munitions and Supply I did not wish to make a definite statement.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Thursday, May 27, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE

Mr. POULIOT: In order to save time I sent to the minister a copy of a memorandum with regard to one man who was described as a deserter. He was not guilty and the case was so bad that the department informed the provost marshal that the man did not have to report at all. The discussion of the estimates must be thorough, and that is impossible as long as we stick to theoretical questions and answers. We must get down to the facts; we must expose the facts as they are in these cases. That should be very easy, because I can refer the minister to the departmental files, and I have no objection to passing over my own files after *Hansard* is through with them. A few days ago I quoted some letters from various counties. I have others to-day. I need not take time to read them now but I will send them to the members representing the respective counties, so that they may deal with these matters.

There are some cases which are very interesting and very novel, and which would seem incredible if the quotations were not from official papers. Here is a file, No. 51-C-14, and another number Q-39-S-203. The number of the man is E-29326; I will not give his name. Six years before he enlisted he was working as a lumberman and struck his ankle with an axe, as a result of which he was deformed. Then he worked on a tractor and a tree fell on him, breaking his shoulder. As a result he was unable to carry a rifle on his shoulder, and he was totally unfit for military service. However, he was accepted, and on June 27, 1940, was transferred to Camp Borden. He wanted to transfer to depot No. 5, Quebec city, but was not allowed to do so. On August 20, 1940, Commander MacLachlan, who was then deputy minister, informed me that this man was to be discharged as unfit. I wrote Lieutenant-Colonel Mercier on August 28, 1940, and again on September 7, asking for a discharge for this man. On September 6, 1940, Colonel Des-Rosiers, whom I have found to be an excellent official of the department, informed me that this man was suffering from congenital mental

deficiency and was unfit for service. His injuries to his ankle and shoulder were not mentioned.

The CHAIRMAN: If the hon. member will allow me to interrupt, we are now discussing item No. 3, dealing with travel, transportation and freight, and I must absolutely abide by section 2 of standing order 58, which states:

Speeches in committee of the whole house must be strictly relevant to the item or clause under consideration.

Surely the hon. member must realize that he and all the other members of the committee have been given a great deal of latitude so far, but there comes a time when a line of demarcation must be drawn. This is the time, and I am now going to abide by the rule I have just read.

Mr. POULIOT: Item No. 2 was passed last night under certain conditions; at page 3118 of *Hansard* the minister said:

I would say that no one will be shut out by reason of having allowed this item to carry. No one will be shut out from receiving an answer to such questions. As a matter of fact, I have made notes of the questions asked.

I understood I could go on with these matters to-day, otherwise I would have objected to the item passing last night. I was right here when the statement was made, and that was my very clear understanding. However, if that is not the case I will not insist upon dealing with this matter; I will not impose upon the committee. Yesterday a sort of committee was formed behind the curtains; some members went out while I was speaking, so that there was hardly a quorum left; they were all behind the curtain, but two minutes later there were more than fifty members in the house. I want to know if a joke was played on the committee last night when item No. 2 was passed. If that is so I shall not insist; I will take my medicine all right, but I will remember what happened on other occasions. I want to know if I can go on now, after what was said by the minister last night.

Mr. RALSTON: I think my hon. friend is wrong in his construction of the reservation. That reservation was made in answer to a question by the leader of the opposition, who referred to certain questions which had been put during the course of the debate, to which answers had not been brought down. The hon. gentleman referred particularly to questions asked by members of his party. At page 3118 of *Hansard* he said:

A number of questions were asked by some hon. members in this party during the afternoon and evening sittings, and if the item is to carry it should be with the reservation that the minister will answer the questions asked.

Then I said:

I will, as fully as I can.

Mr. Graydon: I should have said that they were asked not only this afternoon and last night, but during other parts of the debate. I should like to have them answered.

Mr. Ralston: I would say that no one will be shut out by reason of having allowed this item to carry. No one will be shut out from receiving an answer to such questions. As a matter of fact I have made notes of the questions asked.

Then the time was agreed to. I say to my hon. friend that I do not think that reservation carries him far in connection with his contention. But I must say something further. I do feel responsible in connection with this matter, because at five minutes to eleven I interrupted the hon. member for Témiscouata when he was dealing with medical matters, and asked that I might place on record some information with regard to the man who had been referred to earlier by the hon. member for New Westminster. At that time, at page 3116 of *Hansard*, I said:

I want to ask my hon. friend if he would mind dealing with this matter when we go on to-morrow.

On that understanding the hon. member for Témiscouata yielded, and so far as I am concerned, Mr. Chairman, I feel that I am bound not to take any objection to-day. I rather think it was the understanding of the committee.

The CHAIRMAN: On that understanding I do not see how I can apply the rule, and my ruling cannot apply.

Mr. McIVOR: Might I have a word?

The CHAIRMAN: The hon. member for Témiscouata has the floor.

Mr. POULIOT: I have no objection to the hon. member saying what he wishes to say.

Mr. McIVOR: I think the hon. member for Témiscouata understands now that we would like him to be brief in his remarks. He can be very pointed and very intelligent; now we would like him to be very brief, because the temper of the committee is not in favour of any more long speeches from that source.

Mr. POULIOT: I thank my hon. friend for his kind words, to which I am not accustomed, but I would suggest that he should address the Chair while we are in committee. I say, however, that even if there were no such reservation—and I thank the minister for what he has said—I would be strictly in order under

this item, because it deals with travel, transportation and freight. I am referring to the case of a man who was transferred from Quebec to Camp Borden, back to Quebec city and back again to Camp Borden; he was like the wandering Jew. If any case comes under this item it is this one, but in addition I have something else to say.

Mr. RALSTON: Just for the information of all hon. members I suggest to the hon. gentleman that these matters could be discussed quite properly under item No. 5.

Mr. POULIOT: Oh, yes, I could take up all these cases under item No. 5, but I should like to get rid of them and I do not want to take much more of the time of the committee. Just for a change I should like to go to the movies to-night if I am free. But there is another point. These items represent the subdivisions of a large item, and we can decide to take one item after the other only by unanimous consent of the committee. These are not like ordinary estimates, as I have stated on more than one occasion. However, I shall not be long. If the minister prefers I shall take it up later; I am in his hands. Both deputy ministers had told me this man was unfit; one had made the statement in August, and the other in September. Well, what happened? I received a letter from Lieutenant-Colonel Mercier stating that he was pleased to inform me that all necessary proceedings had been taken to settle the case with the shortest possible delay. On October 16 I wrote another letter, and on October 29 I received the following from his office:

From the information received to-day about this soldier, that man has not been discharged from the army, and will be at the hospital at Riviere du Loup. It seems there has been a contradiction in the information that has been supplied, regarding the locality where he should be, and also his status in connection with the active army.

Mention is made of the letter they had received from Camp Borden. It was a long time after that the statement was made by officials of the department that he was unfit.

Then, on November 2, 1940, the lieutenant-adjutant of the Royal Canadian Army Service Corps training centre at Camp Borden wrote as follows:

We are enclosing a certified true copy of M.F.B. 227, classifying the marginally named as category "E" and recommending his discharge from the army.

2. Our records show that Pte. Slight, F., was admitted to Christie Street Hospital, Toronto, 4-7-40, and discharged from there 27-7-40. He was then granted a six-day pass to return to his home in Riviere du Loup, P.Q., where his wife was ill.

That is true.

A special extension was granted by Major Ross-Smith of our training centre, permitting this soldier to stay with his wife from 12-8-40 until 26-8-40.

3. On August 23 we received a telegram from a Dr. D. Saindon at Riviere du Loup stating that Pte. Slight was suffering from appendicitis and would require an operation. From that date our information about this man is vague. We were informed that he had been admitted to Riviere du Loup Hospital 19-9-40, and awaited his discharge from hospital before proceeding with his discharge from the army.

4. Please let us have any additional information concerning the marginally named, that might help to clarify his case, at your earliest convenience.

Then here is a letter I received from the medical office of the army at Quebec:

(Translation): You will find enclosed the letter we have received from the adjutant, R.C.A.S.C. training centre, at Camp Borden.

According to a telegram dated October 22, 1940, from Dr. D. Saindon, of Rivière du Loup, this man has never been in hospital.

As you may see, there is some contradiction. The man does not belong to district No. 5. However, if I could ascertain the facts—and only the man himself can explain the extension of his leave at Rivière du Loup—I could easily find out his status.

If this man has not been admitted to the hospital at Rivière du Loup, I am afraid he will be considered as a deserter. However, his case must be cleared up.

(Text): He was considered a deserter at the time, after it had been stated by army officials that he was unfit. Then, on November 15 he received a telegram from Camp Borden, which I translate as follows:

Return at once Royal Canadian Army Service Corps training centre, Camp Borden, Ontario.

And this is signed "service training". This was received after he was declared unfit. I learned he was sent to Quebec city, and was about to be put into the clink. He was about to face a court martial, after all that. Finally he was discharged as unfit. The trouble is that this man should never have been accepted in the army. There are many similar cases respecting men who have been sick. I shall refer to a number of them. It was not because they did not wish to be in the army, but because their families complained that the men were not in good physical condition, or in a state of health to stand regular training.

I have before me the files for H.Q. 869-P-872 (DM); H.Q. 405-P-5000 (DM); H.Q. 869-L-2263 (DM); H.Q. 869-L-1578 (DM); and E/577,820. These are all files respecting men who were put into the army in error. I do not complain only about army doctors. Some of them are good and some are bad. The

same applies to civilian doctors. But I say sincerely and frankly to the minister, because I am in earnest, that in many cases the civilian doctors rely on the army doctors, and some of them are not very attentive to the medical examinations of recruits. They were being paid only a dollar, and did not realize that they had made a lot of money as family physicians. This is not true of many civilian doctors, but it is true of some of them. On the other hand, I understand the army's position. The army doctor will say, "Well, this man has been examined by his family doctor, and placed in category A—or E, as the case may be. He knows the family well, and understands the circumstances, and therefore it is something like a political football. I understand they have many men to look after.

Here is another file. Doctor Fortin wrote me this letter with respect to one of these men:

(Translation): As evidenced by the enclosed certificate, the above named man is suffering from a disease which should make him absolutely unfit for military service. In spite of that, an English-speaking physician did not hesitate to include him within category "A". Is the physical condition of a man totally disregarded? Sooner or later, and perhaps within a short time, this man will have to undergo a rather serious operation. I cannot understand why such an attempt is made to increase the number of unfit men, in view of the fact that this man had a job and was able to earn his living.

(Text): That man could look after himself. Here is the affidavit from the doctor:

(Translation): This is to certify that this man is suffering from an active suppurating otitis in the right ear, which makes him absolutely unfit for military service. This man should normally be put in category "E".

(Text): Then, I have the following memorandum respecting E-626,786:

(Translation): The man is suffering from anaemia. He is unable to withstand long marches, because the little toe of the right foot overlaps the next toe. Chafing occurs during long walks, and this is quite painful. The man cannot wear regulation boots, and even with other shoes he is unable to withstand long marches.

His left shoulder and arm were scalded during his youth, and since that time, his skin is quite sensitive in that part of the body. He still has very large scars in front of the shoulder and behind, and also on the upper part of the arm.

He is suffering from rheumatism in the left arm after exertion. He is unable to carry a rifle on his left shoulder.

Finally, the bone at the base at the spine is very much enlarged, so that the man is unable to assume an erect position when sitting, and even when walking he has to stoop in order to avoid pain; as soon as he stands erect he breaks into perspiration.

[Mr. Pouliot.]

(Text): What I have read states that the last bone of the spine was just as big as a closed fist, that the man could not stand upright, nor could he sit normally. I had to fight his case, because he could not become a good soldier.

Then, here is case Q-39M-3119, respecting a soldier whose toes turned under his foot. I believe this condition is called hammer toes. He could not walk, nor could he wear shoes without great pain. Afterwards he was classified in E category. He should never have been accepted in the first instance. It was not proper to accept him as a soldier, because he could not perform a soldier's duties.

Mr. MacNICOL: Were these men passed and accepted?

Mr. POULIOT: Oh, yes.

Mr. MacNICOL: They could not have been subjected to any medical inspection.

Mr. POULIOT: Surely; I shall have something to say to the committee about that These are not theoretical cases. I bring these facts before the minister. I know he is willing to run his department well. We are the ones who get the immediate reaction to these matters. I hold no rancour against anyone. I do not care about Mr. Mercier or Mr. Rathbone in Quebec city and I do not want to hurt them unjustly, but I think it is a shame when these fellows are taken into the army when they are sick like that.

Mr. McCANN: Does not the fault lie with the local physicians in the communities in which these men lived? The fault cannot be placed upon the military authorities, as the hon. member is probably attempting to do. There may be some blame upon the military authorities for not discharging these men, but primarily the duty lay upon the family physicians who examined them when they were inducted.

Mr. POULIOT: I agree with the hon. member for Renfrew South to a certain extent. As I said before, there are responsibilities in both quarters. There may be some responsibility upon the family doctor, but the fact is that these cases are on record. Here is one case where a man had been classified E by the family doctor and that classification was not considered at all by the army. He was kept in the army. Many of these men have been several months in the army.

Mr. BLACKMORE: Has the hon. member any evidence to show that these men applied to the military officers for reexamination and were refused?

Mr. POULIOT: Yes, I have many cases. I have taken these files at random. I do not

wish to impose upon the committee, but I am sure hon. members will be interested when they hear the details. It will be a revelation. I have a case just like that, the one I referred to last night. This man had a curvature of the spine and he had to wear a belt to support the sacroiliac. I do not know whether my translation is correct. Besides that, he had broken his wrist. I wrote to headquarters about this matter, and just here I may tell the minister that the office of the deputy minister took good care of all these cases. I know they handle cases from coast to coast and have a lot to do and I desire to praise them sincerely for what they have done.

Mr. RALSTON: I have no doubt that my hon. friend will be able to find cases in which the medical officers of the army and civilian doctors have gone wrong. Lawyers go wrong quite frequently. Most of the cases he has cited go back to 1940. But what I do object to is the broad statement of my hon. friend. Yesterday he said that a number of the medical officers of the army were incompetent and that with a few exceptions they were the dregs of the medical profession. That is what I object to most emphatically. To-day my hon. friend is quite fair in saying that it is not wholly the blame of the army officers, that some blame may be attached to civilian doctors who might not understand medical examinations and army procedure. But I consider that a statement like that by a member of the House of Commons with regard to the medical service of our armed forces is wholly unwarranted. At the proper time I shall give the committee the particulars of the qualifications of the men at the head of this service. A statement of that kind is calculated to do irreparable damage to the army and to morale, without doing any corresponding good. My hon. friend is indicating to-day that the cases to which he is referring have come up from time to time and that there may be some negligence or lack of knowledge on the part of the civilian doctors who examined these men, and also a lack of vigilance on the part of the army doctors in not turning them out. As I said before, most of these cases go back to 1940 and I submit that they do not justify a statement such as the one made by my hon. friend, especially when this service is headed by the type of men that are there at the present time.

These medical officers have been consultants and practising physicians. They are members of the Canadian Medical Association and the French-Canadian association of Quebec. Many of them gave up good practices, because at a time like this I should think it would be possible for every doctor to have a lucrative practice. Young men are coming out of the medical schools and going into the army instead of taking up what might, under conditions as they are to-day, be most attractive professional prospects. It is unworthy of any hon. member to say that these men should be classed as the dregs of the medical profession, and I hope that at the proper time he will see fit to withdraw that statement because I do not think he believes it himself.

Mr. POULIOT: Last night was a special occasion, and sometimes words like that may be exaggerated. My idea in bringing these cases to the attention of the minister and the members of the committee was to give full details. I am ready to make concessions, but I think the minister will admit that there should be at least a little purge among some of those who are in the service, because of observations I made last night.

Mr. RALSTON: The hon. member speaks of a purge. There have been changes. I am not going to say it is a purge. For the last eight months there has been at the head of the medical services Brigadier G. B. Chisholm, C.B.E., M.C. He won the military cross in the last war. He had post-graduate experience in clinical and psychological medicine and general medical practice, and for six years was a member of the teaching and clinical staff of Yale university. He was a lecturer in mental hygiene and psychotherapy at Yale medical school. He is a post-graduate of the medical school and Yale school of nursing. In addition, he took extensive post-graduate work overseas, and prior to the war carried on a special practice in psychotherapy and mental hygiene. He was a special lecturer in the department of social service, university of Toronto. It must be remembered that Brigadier Chisholm is not only a medical officer; he has been a senior combatant officer in the Canadian army and organized the department of personnel selection prior to his appointment as director general of medical services.

Associated with him as deputy director general of medical services is Brigadier J. C. Meakins. Brigadier Meakins was physician in chief to the Royal Victoria hospital, Montreal, and has an international reputation. In addition to many other appointments, he has been professor of therapeutics, university of Edinburgh; director of the department of medicine, McGill university; dean of the faculty of medicine, McGill university, and past president of the Royal College of Physicians of Canada. He could hardly be classed as being one of the dregs of the medical profession.

Then there is Colonel G. A. Winfield, who is also deputy director general of medical services. This officer proceeded overseas early in the war and held the appointment of assistant medical director, officer in charge of hospitalization, Canadian military headquarters. He became a member of the staff of Dalhousie university after five years post-graduate work in surgery and carried on an extensive practice in Halifax as a specialist.

Then there is Colonel A. E. Archibald, who is as widely known as a consultant as any surgeon in Canada. He has been a chief consultant surgeon for some time. Then there is Colonel W. P. Warner, who is chief consultant in medicine. He was associate professor of medicine, university of Toronto, and has been a specialist in internal medicine in Toronto for the past fifteen years. Then there is Lieutenant-Colonel C. S. Fahrni, who is a consultant surgeon. He is the immediate past president of the Canadian Medical association and was assistant professor of surgery, university of Manitoba. He has carried on a leading surgical practice in Winnipeg for the past twenty years.

The next is Lieutenant-Colonel J. D. Adamson, who is a consultant physician. He was professor of medicine, university of Manitoba and chief of the medical staff, Winnipeg general hospital. Next is Lieutenant-Colonel R. I. Harris, M.C., who is a surgical consultant. He was assistant professor of surgery, university of Toronto, as well as chief surgeon of the orthopaedic service, university of Toronto. He is past president of the American orthopaedic association and for the past twenty years has been a leading consultant in surgical practice in Toronto. These are the senior men at national defence headquarters. Along with them are eleven district medical officers throughout the districts. I will give their names:

Lieutenant-Colonel G. L. Jepson, Military Cross and V.D., the district medical officer for military district No. 1, has been a specialist in anæsthesia for the past thirty-seven years and assistant professor of anæsthesia, Western university; also chief anæsthetist, Victoria hospital, London, Ontario.

Colonel A. R. Hagerman, another Military Cross man, is the district medical officer of military district No. 2. He has specialized in internal medicine and cardiology for the past twenty years and is on the staff of the department of medicine, university of Toronto, as well as on the medical staff of St. Michael's hospital, Toronto.

[Mr. Ralston.]

Colonel A. E. Lundon, whom I knew in the last war, is district medical officer, military district No. 3. He has had extensive post graduate work in ear, nose and throat in the United States and Europe. He has been a specialist in ear, nose and throat, Montreal, for the past twenty years, having served on the staff of Montreal general hospital and McGill university in this capacity.

Colonel R. H. McGibbon is the district medical officer, military district No. 4. He has had post-graduate training in medicine for six years in Canada and the United States. He has had a large general practice in Montreal for the past sixteen years and is a member of the medical staff of the Montreal general hospital.

Lieutenant-Colonel J. P. A. J. Mercier, whom my hon. friend has mentioned, is district medical officer of military district No. 5. He has had post-graduate experience in mental and nervous diseases, and has had a general medical practice in the city of Quebec for the past eighteen years. These are not the dregs of the medical profession, Mr. Chairman.

Colonel G. R. Forbes, the district medical officer of military district No. 6, has had a large general and surgical practice in Kentville, Nova Scotia, for the past eighteen years.

Lieutenant-Colonel A. A. James, the district medical officer of military district No. 7, became a member of the permanent force subsequent to relinquishing his appointment as assistant professor of biochemistry at the university of Western Ontario. This officer proceeded overseas in 1940, where he held the appointment of A.M.D. 1 at Canadian military headquarters.

Lieutenant-Colonel P. G. Bell, another officer whom I knew in the last war, is a D.S.O. and V.D. He is district medical officer at military district No. 10. This officer has had three-and-a-half years post-graduate work in eye, ear, nose and throat and has specialized in eye, ear, nose and throat work in the city of Winnipeg for the last twenty-two years. He held the appointment of head of the department of ophthalmology at the university of Manitoba.

Colonel W. A. Wilson is the Command medical officer, Pacific Command. He took post-graduate work in internal medicine in London, England. This officer has carried on an extensive practice in internal medicine in Vancouver for the past twenty-two years. He holds the appointment of chief of the medical staff of Shaughnessy hospital, Vancouver.

Lieutenant-Colonel R. A. Hughes, district medical officer, military district No. 12, had four years post-graduate work in eye, ear, nose and throat in the United States. He has carried on an extensive practice in his specialty at Saint John, New Brunswick, for the past twenty years.

Lieutenant-Colonel J. A. Reid, the district medical officer for military district No. 13, has carried on a large general and surgical practice in Calgary, Alberta, for the past nineteen years.

Lieutenant-Colonel N. K. Wilson, V.D., camp medical officer, Petawawa, has had two years post-graduate work in ear, nose and throat work in the United States. He has specialized in nose and throat work in the city of Toronto for the past twenty years and is a member of the ear, nose and throat staff of the Western hospital, Toronto.

I would say once more that it is men like that and the men who are serving all over Canada and overseas whom I object to being referred to as the "dregs" of the medical profession in Canada. I say to the hon. member and to the committee that there were errors in connection with medical examinations as well as everything else, particularly in the early days, and I brought that to the attention of the committee very frankly on previous occasions and told the committee of the steps taken to remedy the situation, of the instructions which went out and of the endeavours we were making to teach civilian doctors the job of making examinations from the military standpoint. It has not been easy. I have no doubt there have been slips. But I do say as regards the medical organization for the whole army I am exceedingly gratified that we have been able to get the services of the type of men we have. I say this further, that no body or service in Canada, bar none, has any more representative, any more skilful, any more proficient, any more devoted band of medical men than has the army, whose medical officers have come in from the profession to help us out in this time of need. I hope with that assurance and with that statement the hon. member will feel that the situation has been adequately taken care of in connection with these old cases in 1940 which he has reviewed. It is, of course, useful to have them brought to our attention so that we will not get complacent.

Mr. BLACKMORE: I can understand these cases getting into the army, but I cannot understand why in the world they were allowed to stay in the army after they appealed for an examination.

Mr. RALSTON: I have not seen these files and I cannot deal with these cases. My hon. friend says he is going to pass them over to me, and I will deal with them when the time comes. It must be remembered that we have 450,000 men in the army. I do not know how many cases my hon. friend has; he may have fifty.

Mr. DOUGLAS (Weyburn): Mr. Chairman, what are we discussing? We are supposed to be discussing item 3, for travel, transportation and freight. But now we have got on to medical services again. That should be discussed under item 5, which reads: "Personnel supplies and services; food, medical and dental stores, clothing and personal equipment."

Mr. RALSTON: The reason that came up was that when the hon. member for Témiscouata last night was discussing medical services on the item for pay and allowances, where it can be discussed, as a matter of fact, though not as properly as under item 5, I interrupted him and told him that if he would allow me to make a statement with regard to the case brought up by the member for New Westminster he could go on with his statement to-day. My hon. friend the member for Weyburn was not in perhaps at the time.

Mr. DOUGLAS (Weyburn): I was in.

Mr. RALSTON: Perhaps he did not agree to it.

Mr. DOUGLAS (Weyburn): I can understand the hon. member for Témiscouata wishing to discuss the medical services, but I do not see how he cannot discuss them under item 5. If there was no other item on which to discuss them I could understand his discussing them now. But we are supposed now to be discussing travel, transportation and freight.

Mr. RALSTON: I have my transportation and freight men here.

The CHAIRMAN: I myself was in error. I well remember now the minister asking the hon. member for Témiscouata to allow him to make a statement. A little later the leader of the opposition asked the minister if he would answer some questions after item 2 had been carried. I understood that practically unanimous consent was given by the committee at the time.

Mr. GILLIS: Still on the point of order, Mr. Chairman, if this afternoon is going to be taken up entirely with a debate between the hon. member for Témiscouata and the minister, the rest of us might as well go up to our rooms and do some work. If the hon. member for Témiscouata is to go back to deal with cases in 1940 and iron them out with

the minister there is going to be no room for anybody else here this afternoon. If I were trying to discredit parliamentary government in Canada, what has been going on here the last two or three days is exactly the technique I would adopt.

Mr. POULIOT: Speaking to the point of order, Mr. Chairman, I protest strongly against what the hon. member, for whom I have great respect, has just said. I will tell him that it is only by unanimous consent that we can divide up these so-called estimates, which are not estimates, and discuss them one by one. We have a global amount of three and a half billion dollars which we have to consider as a whole. It is not divided up here, and when this resolution passes, the whole amount will be voted and then a bill will be introduced. The items we have before us are just a lead. There is no rule that binds any hon. member to restrict his remarks to any particular item, because we are discussing the whole thing. I complained at the start that these were not presented as supplementary estimates. How can any member raise this point of order when what is before us is the whole amount of three and a half billion dollars? It is the entire amount we have to consider. It has been divided up merely for convenience to enable explanations to be made to members. But the discussion cannot be divided up except by unanimous consent.

Mr. DOUGLAS (Weyburn): It was divided by unanimous consent.

Mr. POULIOT: The hon. member for Lethbridge, leader of the New Democracy group, asked for some information. The minister rose, and I did not say anything. If an hon. member has anything to say, let him go on. I do not intend to monopolize the time of the house. How many times have we been sitting here when I did not rise, so as to give a chance to other members to put their questions and make their remarks? But here I have facts which I want to bring to the attention of the minister, and I will tell him also that I am sure all the learned men he has mentioned never had any knowledge of the questions I have with regard to what has happened at the citadel in Quebec, the camp at Rimouski, and the camp at Valcartier, which are three places where reforms should be made. I ask the minister in all kindliness not to take for granted that when a civilian talks about the way men are dealt with in the army, he does not know his business because he is neither a soldier nor a doctor. He has eyes to see and ears to listen. We know these men and respect them. What I am doing now is not easy; it is extremely hard for me to do it, but I do it because I find it is my duty; I do it for the information of the committee. And I am not afraid to speak in this way, because if there is any member who has conveyed information to his colleagues it is the humble member for Témiscouata. I am not stingy about the information I have; I am always glad to share it with my colleagues.

The file I have been referring to is not a file of 1940. The file of 1940 is a real novel; it would be incredible, if the records were not kept in the department. I was answering to the best of my ability the hon. member for Lethbridge, when the minister rose. I do not object at all to his remarks. He was right, in the main; but there are other fellows who cover themselves with the glory which belongs to others, and people suffer on this account; the army suffers from it. I am here to advocate the cause of the under-dog, the man who has no protection, the man who is afraid to talk to others at times and who comes to me in all confidence, being sure that he can trust me.

Now, sir, if I am permitted, I will say what this is. The trouble about this file, which is E554,886, H.Q. 869 L-1418, is that in the first place this man was suffering from a deviation of the spine, and he had other illnesses. It was written in a letter on June 1, and on July 8 I had this letter from the Quebec doctor—I translate it as best I can:

> This man has been admitted on June 15 to the military hospital, Quebec, and went out four days after. We find light scoliosis of the spine, with shorter left inferior congenital member. However in his history we note that he has broken his left fist five years ago, and he said that that was not enough to change his category, which was A.

A man suffering from a deviation of the spine and being classified A!

I have another letter, from the department, dated August 17, to the same effect. He was attended by specialists, who admitted the same thing, according to a letter which I have received from the department, and which is to the same effect as the one of July 8 which I have read. It was dated October 2, and it admits that the man was suffering as I have stated and that he was kept in category A. Finally, thanks to his major, whose name I do not mention here, but the minister will see it when I transfer the files to him, a medical doctor at camp Valcartier, Dr. Demers, changed his category. This is a case which is clear. I complained of the physical inability of that man. The doctors concurred, yet they kept him in class

A until representations were made by his major to the local doctor at Valcartier camp. I want the doctor who is responsible to be fired.

Here is another case, a classic case, from the citadel at Quebec. I do not know that the man concerned is still there. The man had rupture. He was on sick parade. The doctor asked, "What is the matter with you." He said, "I suffer from a rupture." The doctor answered, "Have a good rub." The man who rubbed him was a lumberjack with hands as long as I am indicating to you, and like sandpaper.

Mr. BLACKMORE: Is the hon. member really serious in what he says, that a doctor prescribed a rubbing for a rupture?

Mr. POULIOT: Yes, sir, surely; it was said there. They do not call such men doctors; they call them blacksmiths. That man had to do his drill, though he could hardly walk.

Here is another case, HQ 869-0-1367. It is that of a son of a farmer who asked for postponement but did not get it. He was in camp at Rimouski from March 16, 1942. In August, 1942, he was sick for several weeks and was at room 208, military hospital, Laurier avenue, Quebec. The doctors declared he could not make any cure. On August 17, headquarters at Quebec informed him that the mobilization commission had refused his postponement. On August 24 headquarters informed me that the young man was actually under observation at the Quebec military hospital. On August 26 Lieutenant-Colonel Mercier informed me that he had been classified C for a period of three months and that he will have to be reexamined to establish definitely his medical category. On September 4, Lieutenant-Colonel Mercier informed me that he was still under observation.

Mr. RALSTON: My hon. friend says "informed me." He is really reading a diary?

Mr. POULIOT: Yes. On September 4 he was still under medical examination. On September 9 he was passed in category C-1. A minute examination was made; the man was transferred from Quebec military hospital to the hospital l'Enfant Jesus at Limoilou, and finally to the hospital of Saint Sacrement, Quebec. On January 8 information was given that he had been sent to the hospital for a complete medical examination. On March 4 he was released.

The CHAIRMAN: If the hon. member will allow me, the minister has stated to him that if he will give him this information he will deal with it. Would it not shorten the debate if the hon. member would do so? I do not say this with any idea of trying to discipline the hon. member for Témiscouata; it is not in my power to do so; but I believe that if he would accept my suggestion the debate would be considerably shortened. I may remark that the reactions of the public to the discussions which have been going on during the past few days are not very favourable to the parliamentary system as it is operating at the present time. The minister has undertaken gladly and voluntarily and diligently to deal with matters which are placed before him. I offer this suggestion to the hon. member as a piece of advice.

Mr. POULIOT: If I am allowed, I will quote only one more memorandum, and afterwards I shall refer to a few matters which will take only five or ten minutes.

This file, which is numbered H.Q. 869-L-1251 (DM), relates to a man, classified A, who went to the camp at Rimouski on March 17, 1942. He had already suffered from pleurisy and abscess of the throat, and had lost seven pounds the first month he was in the camp; he was coughing to such an extent that he could hardly speak. Once his temperature rose to 102.3. He was excused from the obligation to drill, but he had to wash the floors of the camp for three hours. On April 1 two medical certificates were sent to Lieutenant-Colonel Mercier from the doctors stating what was wrong with the man. He suffered from arterial hypertension and also from pleurisy. On April 28 another letter was sent to Colonel Mercier, and on the 9th of May a reply came from Doctor Mercier stating that his pulmonary radiography was negative. There were, from a clinical point of view, it was stated, indications of acute sub-ague. And so on. On April 15 I received this letter from his mother:

> Our son, whom we had succeeded in getting out of the army where he had been classed as A, has always been very ill since. He suffers with his back, which is sore, and they could not find the cause of it. Fifteen days ago he was operated on for appendicitis. The operation succeeded but as he still had a sore back the doctor took a radiography and found he had some vertebrae that were sore. We sent him immediately to Doctor Samson, a specialist at Cartierville. This doctor found an abscess on the spine and he will be operated on next week.

Here is a man who would have died if he had been kept there, and yet he was classified as A. There is something wrong somewhere. I do not deny the qualifications of the doctors whom the minister has mentioned. They may be the ablest men, but there are others who are not so competent. If you go to the Cha-

teau Laurier you will find a very good cook there, the chef, who looks after all the cooking for the establishment, but there are others who have not the skill that he has.

Here is another case, H.Q. 869-B-3452. This fellow had had pleurisy each year for three years previously, and he was transferred from Rimouski to Chicoutimi and kept in the "clink" as a deserter because his health was such that he could not leave his home and go to the camp. I could mention many others. Here is another young fellow on leave at home. He suffered from appendicitis and had an operation, and after fifteen days he had to report to Rimouski; otherwise he would have been considered a deserter. He went there in the dead of winter with the result that he caught cold and nearly died, not from appendicitis but from pleurisy contracted on the way down. I have his file here and I will pass over the full file to the minister. I would ask the minister to look through that file and return it to me afterwards because I should like to use it in connection with the estimates of national selective service.

I do not wish to take up much more of the time of the committee, and therefore I take the minister into my confidence and pass him my own file, as I am prepared to do with all the others. These boys are not afraid to enlist. Here is a young man who was found unfit, E-41997. What did he do? He enlisted again until it was discovered that he was too unhealthy to remain in the army. There is another case that is simply incredible. I will not mention it now, but I will give the minister a copy of the letter I wrote to the deputy minister. The doctor said in this case that they were not afraid of Jean François Pouliot and that the man would stay in the army.

I am ready to cooperate with the minister to the fullest extent, but I want to see these men dealt with fairly by the authorities. I am not raising any prejudice, racial or religious. The doctors I complain of are French Canadians in these camps. They are not all of the type mentioned. In the province of Quebec there are French-Canadian doctors for whom I have the greatest respect, but I do not want to see people who are kind to me looked after by blacksmiths when they are sick. At times the doctors actually forget to examine a man's heart. One man could not do anything without perspiring freely. He was weak and very delicate and I sent him to a doctor. I wanted him to pass the medical examination, and I trusted the army doctors enough to have him sent to the army for examination. The result was that he was declared unfit. I will give the numbers of some of these cases: H.Q. 869-B-3452; H.Q. 869-O-1367; H.Q. 869-L-1261; H.Q. 869-C-2833; H.Q. 869-M-3011; H.Q. 869-P-1799; 83-802; F.3818; E-41997; H.Q. 869-O-406.

I am putting these cases on *Hansard*, and afterwards I should like the minister to look through the files. I know he will see that what I have said is borne out by the facts. I quite understand that the minister cannot see everything that goes on in the department, and it is precisely for that reason that he has a parliamentary assistant. If, therefore, the minister is too busy with the other business of his department, I would be delighted to take the matter up with his parliamentary assistant and discuss these various cases of young men who are indispensable on the farm but who are kept in the army.

What I complain of is that the idea seems to be that every man counts as one, even if he is sick. But surely a sick man does not count; he is not an asset but a liability. Some commanding officers will not allow any man to leave the regiment. They seem to regard it as a reflection on the army to have a sick man leave, because it would mean one man less. What a shame. So that they retain sick men and have them wash floors notwithstanding that they are suffering from pulmonary diseases. They force them to drill when they should be in category E. It is absurd. That is where we need reform.

I thank hon. members for their patience in listening to me. They know quite well that I am acquainted with the facts and that if they were in my position they would do the same. What I am doing for the boys from Témiscouata and from other counties who write to me I would do for all the boys who are in the army. I can assure the committee that what is done with reference to these cases that I have submitted to the minister will have their repercussion throughout the army and doctors will be more careful. I can tell the minister also that nothing is worse, from the point of view of the ill-treatment of these fellows, than the protection which is accorded to some. My remarks do not apply to all the doctors. If what I said yesterday were imputed to all it would be unfair because that is not my belief. I have a high regard for several of the doctors whom I consider real savants, scientists. But, I repeat, reform is urgently needed, and I could give the minister letters that I have received from these young men thanking me for what I have done for them. In some instances they were ready to work in depots. They were willing to serve in positions where they would not have to walk, and so on, because they were unable to

do so, but their request was refused. I fight for the under dog; the minister understands my point of view, and I hope he will bring reform where reform is needed.

Finally, I would ask the minister for some information which he may give me some other day if he wishes; at any rate I wish to bring the matter to his attention. In Quebec city Major E. Douglas Rathbone is in charge of the medical revision board at the armoury.

Mr. RALSTON: That is not an army board. The medical revision board comes under the Department of Labour.

Mr. POULIOT: This is my last question, and I will tell the minister why I ask it. I am told that this doctor comes from the west and does not speak a word of French. He has been acting commander of the 16th ambulance, which I understand is to go overseas. I wonder how long this gentleman will stay in Quebec city, and who appointed him to the medical revision board there. I am told that in army medical circles in Quebec city it has been said that no eminent Quebec doctor would have accepted that post, but I find that hard to credit. I think that position could have been given to a French-Canadian doctor of Quebec city; I must say that the French-Canadian doctors of Quebec have not been scorned except by one department, and there are eminent doctors there who I am sure would accept this position. So that I do not see why Major Rathbone should be there. I would ask the minister if he made that appointment, or if it was made by the Department of Labour.

Mr. RALSTON: If it is the medical revision board, it is under the Department of Labour.

Mr. POULIOT: Thank you.

Mr. RALSTON: The hon. member has sent me quite a number of these files, and he will have *Hansard* send me the others. Certainly I shall have the most careful examination made, and in connection with anything for which the army is responsible I shall see that action is taken, remedial or disciplinary or by way of any change in system which may be indicated. Though I could not follow all the cases cited by my hon. friend, apparently most of them resulted from examination by boards of civilian doctors, who I must admit were under the direction of the army, but I think a good many of them were in the days before the examinations were as carefully carried out as they are now. There were also some circumstances in connection with some of these cases, in regard to continuing disabilities and renewed disabilities after a man appeared to be well, which would justify examination, and that examination would be made.

There were three or four items of information I wanted to file with the committee in order that we might get right on with item No. 3, which is under consideration at the present time.

Mr. POULIOT: Would the minister have any objection to my discussing these cases with his parliamentary assistant?

Mr. RALSTON: None whatever.

Mr. POULIOT: All the cases I have mentioned have been settled, but I should like to speak to his parliamentary assistant about future cases.

Mr. RALSTON: That will be quite satisfactory.

The hon. member for Lake Centre, as reported at page 3060 of *Hansard*, asked for the cost of recruiting for the army during the year. It is not possible to give actual expenditure figures for the cost of army recruiting for 1942-43 at the present time. Based on the best information available, the approximate cost of army recruiting is estimated at $1,290,000, broken down as follows:

Pay and allowances of military personnel, $870,000, of which $510,000 is chargeable to recruiting	$510,000
Salaries and wages of civilian personnel	50,000
Advertising—newspaper, radio, billboards, etc.	375,000
Travelling expenses	225,000
Miscellaneous — comprising rentals office expenses, etc., plus costs of special recruiting campaigns not included under above heads	130,000

As I said before, the military personnel included in the figure of $510,000 are performing additional duties as well as recruiting.

Mr. SLAGHT: That would cover all three armed services?

Mr. RALSTON: No; this is just for army recruiting. Then, as reported at page 3077 of *Hansard* for May 27, the hon. member for Lincoln asked about the additional officers, other ranks and personnel, and the cost, in connection with the authorization of the formation of the First Canadian Army. As I indicated to the hon. member, it would be very difficult to be exact, because an army is not a fixed establishment, but what I have had the officers try to do is prepare a statement with regard to what was regarded as the approximate numbers and amounts involved. This is the statement.

The formation of First Canadian Army did not entail a large number of additional ancillary units, because when the divisions were organized for service overseas we also formed a portion of corps, army and line of communication units to the extent necessary to serve those divisions. The formation of the First Canadian Army means the provision of an additional control headquarters in the rear of the two corps headquarters, under which rear headquarters the previously provided portion of army, general headquarters and line of communication units would be grouped and would serve. Consequent upon the addition of an army headquarters, a relatively small number of additional units were added to the army, in order to provide additional headquarters defence, engineer, intercommunication and supply and medical services.

The total additional numbers involved in the formation of units directly serving army would approximate 7,000, included in which number there would be ten additional senior appointments of the rank of colonel and higher, namely, one lieutenant-general, four major-generals, three brigadiers, two colonels. The estimated cost for 1943-44 of the foregoing units including the army headquarters would be in the neighbourhood of $16,000,000.

Then on May 26, as reported at page 3058 of *Hansard,* the hon. member for Lake Centre asked if I would give the committee the information as to enlistment by districts for January, February, March and April; I had already given the totals for those four months. The statement which has been prepared shows the total male enlistments by districts of general service volunteers, according to telegraphic returns, from January to April, 1943, inclusive, and in order that we may have information as to the man-power intake during these months there has been added a table showing the number of National Resources Mobilization Act recruits enrolled during the same months. The table is as follows:

(a) Total Male Enlistments by Districts (G.S. Volunteers)
(According to telegraphic returns)

January to April, 1943 (inclusive)

Military district	Jan.	Feb.	March	April	Total
1	765	655	542	443	2,405
2	2,672	2,152	2,233	1,959	9,016
3	853	514	564	424	2,355
4	1,078	884	759	625	3,346
5	384	319	269	188	1,160
6	1,163	1,097	677	693	3,630
7	719	487	381	317	1,904
10	927	663	547	667	2,804
Pacific command	1,000	809	647	531	2,987
12	1,180	628	380	316	2,504
13	875	703	526	269	2,373
Petawawa	15	5	4	5	29
Camp Borden	....	11	6	5	22
Total	11,631	8,927	7,535	6,442	34,535

(b) Number of N.R.M.A. Recruits Enrolled at District Depots and Training Centres
During the months of January to April, 1943

(Based on telegraphic returns)

Military district	Jan.	Feb.	March	April	Total
1	358	165	373	175	1,071
2	565	859	800	724	2,498
3	389	106	87	50	632
4	1,134	527	715	889	3,265
5	327	693	536	456	2,012
6	608	384	98	98	1,188
7	280	213	211	102	806
10	673	478	254	360	1,765
11	486	303	342	229	1,360
12	1,029	385	236	30	1,680
13	291	381	310	212	1,194
Total	6,140	4,494	3,962	3,325	17,921

Mr. DOUGLAS (Weyburn): Last year when the minister gave a similar table I believe it also showed those enlistments on a per capita basis, and the number of trainees called out, also on a capita basis.

Mr. RALSTON: This does not give that information; it is just for the first four months of this year. I could probably file a statement bringing that information up to date. I think my hon. friend refers to the statement that was given as of December 31, and I shall see if I cannot bring that up to date. I think that contains a percentage figure.

Mr. DOUGLAS (Weyburn): Yes, it does.

Mr. RALSTON: I shall try to bring it up to date. I presume there is no need of reading this document.

Mr. GRAYDON: To what date is the statement?

Mr. RALSTON: It is for the four months, to April 30.

Mr. GRAYDON: I understand the hon. member for Weyburn asks for the figures for the remainder of the period from that time until now.

Mr. RALSTON: No; he was asking for the percentage per capita.

Mr. GRAYDON: That is your latest information?

Mr. RALSTON: Yes, up to April 30; we get day to day telegraphic reports, of course, for current enlistments.

Mr. STIRLING: Will the minister now answer the further question of the hon. member for Lake Centre with regard to the 91,000 Canadians in the United States, and the success which attended the recruiting stations? I believe the minister has answered only that portion which deals with the transfer of those who have enlisted in the United States army. I know the hon. member for Lake Centre is anxious to have the answer to the question whether we are missing potential recruits among those 91,000.

Mr. RALSTON: I cannot answer that question now. I thought I had the statement with me, but it does not seem to be readily available.

Mr. STIRLING: Will the minister bring it down later?

Mr. RALSTON: Yes; it will be here on Monday. I may possibly be able to find it before we adjourn.

May I answer one more question, namely, that asked on May 27, 1943, by the hon. member for St. John-Albert (Mr. Hazen), as reported at page 3080 of *Hansard*. He asked about the pay for artillery signallers, pointing out that those in the signal corps were getting specialty pay, while artillery signallers were not. I say to him now that artillery signallers are now classified as tradesmen, and under authority of order 144, 1943, after January 1, 1943, they are eligible for extra pay.

Mr. GREEN: He had also asked a question about the cost of publicity. Has the minister that information?

Mr. RALSTON: I have not obtained it yet, but I shall have it on Monday. If I remember correctly, the hon. member asked for a break-down of all the officers and of the civilian personnel.

Mr. GRAYDON: There may be one or two further questions which have not been answered. It may be that some hon. members who are away on a visit to the war plants may have further questions when they come back.

Mr. RALSTON: I am not purporting to have answered all of them.

Mr. GILLIS: I do not wish to break the continuity of this discussion. I was going to say something about travel, transportation and freight; that is, if I am in order. And if I am, everybody else is out of order.

Mr. PERLEY: There is one question I should like to ask now, and it would only require a moment to answer it.

The CHAIRMAN: The hon. member may ask it.

Mr. PERLEY: I did not say anything yesterday, although I had about twenty questions to ask. As I listened, however, I found that nearly all of those questions were answered. But I believe the one I shall now ask is worthy of consideration. Three or four cases have been brought to my attention where the mother of three or four boys finds herself in difficulty. I have in mind one case where the mother has three sons, two of whom are overseas, and a fourth who was called up only recently. She has found that she has had to desert her husband, if I may use that expression. We have heard some talk about desertion by husbands, but in this instance the wife is the deserter. She cannot persuade her husband to give her sufficient accommodation, food or clothing for the rest of the children.

Mr. RALSTON: She has had to leave her husband?

Mr. PERLEY: Yes. The two sons overseas are quite willing to make contributions to the mother from their pay. She thinks some allowance should be made by the department, by way of separation allowance. Could the minister inform the committee if he has heard of other cases similar to this one, and if there is any way whereby a woman in that position could receive some consideration, particularly when her sons overseas are willing to contribute a portion of their pay? I have in mind two or three cases which could be described as desperate, and which, I believe, should have some consideration.

Mr. RALSTON: From what the hon. member says I understand the husband is not a soldier.

Mr. PERLEY: No. I regret to say he is a returned soldier of the last war, but he now refuses to maintain the wife.

Mr. RALSTON: The investigation would be made to ascertain whether dependency could be established as between the mother and the sons; that is, if she is partly dependent upon the sons for support.

Mr. PERLEY: She was.

Mr. RALSTON: It sounds rather discouraging, from that point of view.

Mr. PERLEY: She was dependent upon them to a certain extent, before they enlisted.

Mr. RALSTON: And they are making assignments of pay?

Mr. PERLEY: Yes.

Mr. RALSTON: And she wishes to see whether dependents' allowance can be paid in respect of them?

Mr. PERLEY: Yes.

Mr. RALSTON: The matter would be investigated from the point of view of dependency. The dependents' allowance board takes the position that in such cases they do not interfere in respect of rights between a wife and a husband. But the way my hon. friend puts it, it might be contended that she was deserting her husband. She voluntarily elects to leave him, and has elected to cut herself off from the support he would give her, provided they lived together. Is that correct?

Mr. PERLEY: Yes; that is correct. He has refused to give support, and there are two other small children to be fed and clothed.

[Mr. Perley.]

Mr. RALSTON: But she does not have to leave them.

Mr. PERLEY: The conditions have been such that she has had to.

Mr. RALSTON: It sounds to me as though she could take legal action for separation.

Mr. PERLEY: It has not gone that far.

Mr. RALSTON: I am referring to legal action for separation, in view of the fact that she has not condoned his refusal to support her. I do not think the wife can simply pull out, and say, "I am not going to stay here any longer," if he provides her with a home.

Mr. GRAYDON: It would depend upon the provocation.

Mr. PERLEY: The boys are willing to assign part of their pay.

Mr. RALSTON: The hon. member asked me if we have had any similar cases. My deputy tells me that he has not heard of a case of that kind. He was advising me on general principles, namely, that dependency has to be shown. If the hon. member has the case in mind, he might give me the name, and I could look into it.

Mr. GILLIS: I wish to say something about travel, transportation and freight, but I shall not go into any specific cases. I am just a little bit disappointed with the functioning of parliament, as I have seen it since coming here. We talk about everything, except the matter before the Chair. If every hon. member took the position he was going to bring his files for the last four years down to the chamber, so that he might discuss individual cases, and then, after occupying a couple of hours of time, tucked his files under his arm and went away for two or three weeks—because that happens, there is no doubt about it—we would find ourselves in a peculiar position.

An hon. MEMBER: I hope he does.

Mr. MacNICOL: He does not go away that long.

Mr. FRASER (Peterborough West): Do not be too optimistic.

Mr. GILLIS: I am both disappointed and disgusted.

Mr. MacNICOL: Here he is now.

Mr. GILLIS: If he has a quarrel with the Minister of National Defence or anyone in the minister's department, it should be a personal matter.

I bring to the minister's attention the matter of transportation as applied to different

branches of the service. My information while travelling, and from information received, is that there is considerable discrimination as between certain branches of the service, and as between branches of the service east and west.

There is another matter I should like to bring to the attention of the minister. When men of the air force are being transported from one point to another west of Toronto they are supplied with meal tickets and a berth. But east of Toronto they are not supplied with meals or a berth. When men in the army travel anywhere in Canada they have to sit in a second-class car, are provided only with a sandwich and must buy a bottle of coca-cola or something else to wash it down. This applies also to ratings in the navy. Berths are not provided in either case. There is definite discrimination between the men in the air force and the men in the army and the navy, and further discrimination in the air force as between travel west of Toronto and travel east of Toronto. I have a specific complaint to make to the Minister of National Defence for Air, and I shall not bother the Minister of National Defence with it at this time. This matter should receive thorough examination.

Yesterday I brought up the question of free transportation for the men in the army on their furlough after six months service and embarkation leave. If a man is in a camp in central Canada and receives embarkation leave, as a general rule, it will cost him a good deal to go home. Just recently I was on a train going to Montreal, and I met a group of boys who were en route from Petawawa camp to Sydney, Nova Scotia, on their embarkation leave.

Mr. RALSTON: Artillery men?

Mr. GILLIS: Yes. When their leaves came through they had no money, and their chums in the camp took up a collection to buy their tickets. They had a placard nailed to the end of their seat, "Kindly help five starving soldiers."

Mr. RALSTON: This was not a special train.

Mr. GILLIS: No. They were depending upon other people in order to get their meals on the way down. That is not good enough for a man who has enlisted voluntarily and who must take his training at whatever point is decided on by the military authorities. When embarkation leave comes through a man should not have to travel under such circumstances in order to see his family, possibly for the last time. Free transportation should have been provided a long time ago. Most of these boys in the service are assigning the greater part of their pay, and the few dollars they have left is hardly enough to buy the shaving materials and other little things they need.

I ask the minister to check up on this discrimination which seems to exist in the present regulations. As I say, there is even discrimination in the air force itself. When a boy in western Canada enlists and is assigned to the manning pool at Toronto, he is given his meals and a berth, but the boy from Halifax does not receive this. I know of one case where some boys had to sit up all the way from Halifax to Montreal without any meals, and they could not even get seats from Montreal to Toronto; they had to stand.

Mr. GRAYDON: The minister will recall that almost from the beginning of the war a number of members of this party have been insisting upon free transportation being provided for members of the armed forces. The matter raised by the hon. member for Cape Breton South deserves the serious attention of the Minister of National Defence and the other two defence ministers. Many of these men are undergoing training thousands of miles away from their homes. This was not the situation in the last war. I know that practically every member of this committee will be able to recall boys from his constituency who are located almost at the other end of Canada, and have been there for some time.

When their furloughs come through, in most instances they find that they have not been able to save sufficient money to pay for their transportation. There are many things that must be paid for out of their limited pay. I for one make no apology for emphasizing the need of free transportation for the men in our armed forces. I think the minister should make an immediate decision, and I hope it will be favourable, in connection with providing free transportation at least on these two occasions, namely the furlough and the embarkation leave.

Perhaps I might go a little farther than the hon. member for Cape Breton South. This whole matter of furlough and embarkation leave is linked up with the man's service. It cannot be said that a man has an option with respect to these two matters. There may be an option so far as week-end leaves are concerned, but that is not so in connection with furloughs and embarkation leaves. I ask the minister to consider this in a different light than he has on previous occasions when war appropriation bills were before the com-

mittee. The situation is serious, and the minister should give some indication of governmental policy in this connection. If there is one section of our population which ought to have, not simply concessions, but equality, and that is all this means, it is the armed forces of our country, and I make this appeal to the minister this afternoon in the hope that he will provide for our armed forces in Canada that equality of treatment which cannot in any sense be regarded as a concession or as something extra. Rather it must be regarded as part and parcel of that which is rightfully due to the men in our armed forces who are prepared to give, not merely their money, not just material things, but what is infinitely more precious, life and limb itself.

Mr. SLAGHT: Mr. Chairman, I wish to support the requests made by the two last speakers with regard to leave and the granting of transportation and proper provision for eating and sleeping. I have addressed the committee on previous occasions on this subject, and therefore I shall not repeat myself this afternoon. But I endorse the requests that others have made and want to record myself as supporting them.

Mr. NOSEWORTHY: In supporting the suggestions that have been made by two or three hon. members, I would submit to the minister that there is at present a special reason why consideration should be given to granting free transportation on these leaves. The press has recorded that during the recent victory loan campaign no community in this country contributed more generously than did the members of the armed forces. I recall visiting, a little while ago, a camp at North Bay, an educational centre, where 700 men in the army had contributed over $35,000 to the victory loan. I saw their pay envelopes, and man after man at that camp, after the various deductions had been made from his two weeks' pay, had pledged himself for victory loan support to the point where he was leaving himself only two dollars a week to carry on. Under these circumstances many of these men cannot possibly afford to pay their way back home when they go on leave. I sincerely ask the minister to give the matter consideration. I am sure that the railways and the country can afford to do this on behalf of our men.

Mr. CRUICKSHANK: I wish to endorse everything that the previous speakers have said. I should also like to bring to the attention of the minister the request which has come from the soldiers who are residents of British Columbia. I think they are being unfairly treated in the length of time they are given when going home on leave. I understand that previously the air force got a longer time for leave than the army and the navy, but I am informed by the parliamentary secretary that that has been changed and that all branches of the armed forces are now on an equal footing with regard to the length of their leaves. I am entirely in accord with that. I think all branches of the armed forces should be treated equally in the matter of length of leave. But the soldiers of British Columbia should in addition be allowed travel time. I admit that this should apply equally to the soldiers who live in eastern Canada and are posted far away from home, on the west coast, let us say, but they have the advantage of passing through a beautiful part of Canada which they never saw before when they go home on leave, and that helps to make up for the shortness of their leave.

As the minister well remembers, during the last war, if you were in France and were going on leave and gave an address in Ireland, you got three days extra allowed for travel time, and if you were going to Scotland you got two days extra for travel time. I well remember that the minister and I were always getting ready to go to Ireland to get those three extra days, but we never got there. All the soldier associations in British Columbia have written, I presume, to all British Columbia members asking that they be granted travel time in addition to their leave. We are not asking for extra leave for our men. It seems only reasonable that a man from British Columbia who has been trained on a corvette at Halifax or in the air force on the eastern coast of Canada should be granted travel time in addition to his leave, because it takes him four days to get home and four days to get back, and that leaves him only one or two days at home. I think every hon. member will agree that this is a reasonable request. We are not asking for extra leave for the men from British Columbia or from the far west, include Alberta if you like. We are simply asking for travel time, so that they may have an equal length of time to spend at home. I think it is a reasonable request. I hope the minister will have something to say about it.

Mr. JOHNSTON (Bow River): I should like to support what has been said by hon. members who have spoken with regard to the accommodation for soldiers travelling on the trains, and free transportation. I have particularly noticed travel conditions on the trains

for the armed forces, because I have travelled a great deal on the trains. I have spoken on this question before and have said, and I say now, that it is a wrong principle to distinguish between the branches of the armed forces, especially when social distinctions are made. I recall that not long ago there was a little difficulty in getting recruits for the army, and we went so far as to advertise that we would provide them with walking-out uniforms. A great deal of propaganda was put on at that time to get recruits and to raise the morale, shall I say, of those who were contemplating joining the army. Evidently it was felt by those who were thinking of enlisting in some branch of the armed forces that there were social distinctions and that the army was not as highly thought of as the other two services. That is wrong, and there should be no distinction, social or otherwise, between the different branches of the armed forces, because the soldier has just as an important job to do as the man in the air force and the man in the navy. He is just as important as the other two. I am quite confident that there was a feeling in the armed forces that those in the army were not so good as those in the air force and that, therefore, it was all right for the men in the army to sit up in a day coach when going home on leave, while the other fellows had a sleeper. There is still a great deal of hard feeling in that respect. I have talked to men in the air force and to men in the navy, and they are very much disappointed that this distinction is made. The air force fellows do not think they are a bit better than the men in the army, and they resent the conditions under which the army men have to travel. I am sure that the minister realizes this and probably has done what he could to rectify the situation. It is one that certainly must be rectified.

Mr. McGARRY: When the question of free transportation for the soldiers was brought up in the house last year I expressed very sincerely my opinion that free transportation should be granted to them. I have not changed my opinion in that regard. Indeed, I feel more strongly about it than ever, and I just wish to take a moment to associate myself with the other hon. members who have spoken on behalf of this concession being granted to soldiers. In view of what they are accomplishing in a military way and their splendid contribution to the recent victory loan, I think all hon. members will agree that this is a concession which the men in the army certainly merit.

Mr. GRAYDON: It is a right rather than a concession.

Mr. MacNICOL: A few days ago I came from Montreal on the afternoon train and had the experience of seeing just what treatment is handed out to soldiers on the trains. I did not know that there were such trains running between Montreal and Ottawa. On the train, which consisted of quite a number of coaches, were 200 soldiers, perhaps more. I never before remember having ridden in such cars. I would call them cattle cars. When I went on the platform there was a trainman there—it was not his fault—who said "Ottawa passengers in here." I went in. It was one of these old-fashioned cars with brass fittings on the seats. The seats were back to back. The cars were packed full. That is not the way to treat soldiers, whether they are on their last trip or their first. I got off the train and asked an official on the platform, "Where are our passenger cars?" "Why," he said, "those are the passenger cars." I said, "I would call that a cattle car." I was put out at having to ride in a car like that, and although I had not intended to mention it here, now that the question has been raised, I think it is in order to do so. I wonder where the old second-class cars are; they were infinitely better than those which were used on that Montreal-Ottawa train. Where these cars came from, I do not know. I have never seen cars like that one before. What I particularly objected to was the way in which the seats were placed, back to back. There was no one going through selling chocolates, soft drinks or other refreshments. I do not think such conditions are good enough for soldiers; in my judgment they are entitled to better treatment than we civilians are and as a civilian I very much objected to the train on which I had to ride that day from Montreal.

Some hon. member has spoken about free trips on the soldier's last leave. The hon. member for Broadview has raised this matter here frequently since war broke out. My leader to-day has strongly urged that on the last trip and on furlough such consideration be given to soldiers. I think every hon. member is in accord with having the last trip made a free trip. I have seen soldiers on trains who had not a cent in their pockets. How could they have saved anything out of $1.30 a day, when one considers all the expenses they are up against? I join my appeal with those of other hon. members, particularly the hon. member for Peel, that the minister consider providing the soldier with free transportation to and from his home when he is on embarkation leave.

Mr. ADAMSON: I merely want to go on record as supporting the proposal of free trans-

portation on embarkation leave. In Great Britain there is free transportation for Canadian soldiers on their privilege leaves, to wherever in the United Kingdom the soldier wishes to go. I think it is an excellent provision, in that it gives great numbers of troops overseas an opportunity of seeing Scotland and other parts of England which otherwise they would not be able to visit. I assume, in fact, I am sure, that the Canadian government pays the fares. I wish to recommend that on a privilege leave as well as on embarkation leave—the annual furlough in the army overseas is called privilege leave—free transportation leave—free transportation should be given. I know that a step in the right direction has been made in the form of a substantial reduction in the fares, but I believe the authorities would find it advantageous, simply as a matter of morale, if the trip were made free.

Apropos of service on trains, I have travelled during this war on a number of trains, including troop trains, both to and from the embarkation port, and I have found that they, the troop trains are extremely well organized and run. Certainly, with regard to none of these trains upon which I have travelled could any justifiable complaint be made as to the coaches, the organization of the railways, the feeding arrangements or anything else. But that was definitely on embarkation trains.

There is just one other small point. It has been found that a number of soldiers returning from overseas land on this side without any money in their pockets. They are given a grant, or pay, or an advance on pay of two pounds sterling just before they leave the non-effective transport depot, or at the time they are there.

Mr. LaFLECHE: Crown and anchor!

Mr. ADAMSON: What happened is this, the two pounds very soon finds itself translated into beer or into—

Mr. POWER: —a poker game.

Mr. ADAMSON: Yes, through a regrettable inability to hold the better hands at cards, or some other common mishap. At any rate, by the time the soldier arrives on this side he has no money. I suggest that the grant be still given; but instead of two pounds give him ten dollars, Canadian currency, which he cannot spend in England, so that when he arrives in Montreal or wherever he does arrive, he will have some cash.

[Mr. Adamson.]

Mr. POWER: What will he do on the boat? Can't you play poker with Canadian money?

Mr. ADAMSON: Well, it is a little more difficult. The same facilities and space are not present, and there is little or no beer.

Mrs. CASSELMAN: I think Alberta has a special interest in this matter of transportation, because we feel that we are in the centre of things, and our men, particularly sailors, are frequently transferred from one coast to another. The railway fares from either coast to points in Alberta are very high. I wonder, if it is impossible to give free transportation, whether a ceiling could not be put on railway fares, so that, where a man's railway fare is above a certain amount, the authorities would step in and assist him by paying some part of it. That, I think, would help to overcome the difficulties of embarkation leaves for our Alberta men.

Mr. RALSTON: I think I had better speak first of the toughest proposition, namely, the suggestion which has been supported by all speakers this afternoon with regard to free transportation. I certainly wish that I could gratify my own personal inclination to make the situation just as favourable as possible in this respect.

I am not in a position to give the committee any assurance in this connection just at present. Two years ago we got this arrangement with the railways which we thought was a substantial concession. We thought it would be of real assistance to the soldiers and it has worked very well. I realize that distances are long and that even a one-third fare on a return trip is a considerable tax on a soldier's purse. But, although it may not be very striking in any one item the committee will recall that there has been a very large addition to this item due to increases made this year in connection with soldiers' pay, dependents' allowance and subsistence allowance. As a matter of fact there is between $45,000,000 and $50,000,000 of an increase in this year's appropriation, due entirely to the changes which were recently made in pay, dependents' allowance and subsistence allowance.

I cannot give the committee any assurance at the present time with regard to free transportation for embarkation leave and furlough. There have been two alternatives or two lesser measures suggested. One is free transportation on embarkation leave and the other suggestion, made by the hon. member for Edmon-

ton East, was that at least there should be a ceiling on all transportation. I shall talk this matter over with the Minister of National Defence for Air and the Minister of National Defence for Naval Services.

Mr. MacNICOL: Does the minister mean that the ceiling would be uniform to the soldier no matter where he went?

Mr. RALSTON: I take it that what the hon. member for Edmonton East meant was that the longest trip would not exceed a certain fixed maximum. I think the hon. member is referring to a zone system, so that say from any place between Winnipeg and the coast the rate would be the same.

Mr. MacNICOL: I felt that a soldier returning from Halifax to Quebec, a soldier returning from Halifax to Toronto and a soldier returning from Halifax to Winnipeg or any other point west on his last leave should all be given the same rate.

Mr. RALSTON: The only rate that would be fair in that event would be the shortest distance. That would mean that the fellow living in Halifax and going to Truro would govern the rate from Halifax to Winnipeg. The idea of the hon. member for Edmonton East was a maximum, that no rate should exceed some fixed figure. I shall discuss the matter with the Minister of National Defence for Air and the Minister of National Defence for Naval Services. I do not hesitate to say that our personal inclinations are all one way. But we have to balance different considerations and give the very best study and attention we can to the question. I cannot say more than that.

Mr. CRUICKSHANK: Would that apply tc length of leave as well?

Mr. RALSTON: With reference to length of leave, as I remember there are two forms in which leave is granted. There is the two-week leave every year. There is one two weeks after the first six months and there is another two weeks once each year after that. You cut into that leave very easily on a long trip. As a matter of fact—this is not in the book—I have reason to believe that commanding officers in cases of soldiers going long distances try to take account of that to some extent in allowing leave. Somehow or another they have a way of providing that the leave shall begin at such and such a date, although the soldier may not be in camp for perhaps a day before that actual date.

Mr. DOUGLAS (Weyburn): Where they are given forty-eight hour leave at each end.

Mr. RALSTON: On embarkation leave there is provision that travelling time is out. The intention with regard to embarkation leave is that they shall have forty-eight hours at home, and necessary travelling time is given to provide for that. It is not the same with furlough. I understand the point and we shall discuss it.

Mr. CASTLEDEN: Would the minister give some possible reasons that are advanced against giving soldiers, sailors or airmen free transportation on embarkation leave?

Mr. RALSTON: I cannot give my hon. friend any reasons from the point of view of public policy. There might be one reason, namely, traffic accommodation. There would be a great deal more use of the railways if free transportation were given, and the congestion which has been referred to would be increased. I do not believe that is really a reason against giving free transportation. I say that frankly, because I feel that the congestion which the hon. member for Davenport found—I say this with all due respect to him—was due to civilian travel just as much as to service travel. My feeling is, and I have said as much to the railways, that the armed services have done pretty well in the regulation of the flow of traffic by the men in the three forces and that civilians have not done any more than their fair share in the way of curtailing travel. That will be borne out by what one sees on the trains from day to day and on week-ends. The week-end rate has been cut out. I have only to go to the railways to see how many civilians are still taking advantage of week-ends to do travelling. I do not believe that we shall ever come to a situation in this country, so that this terrific jamming will not occur until we have passenger travel rationed and until a man has to show a certificate of near necessity before he buys a railway ticket. That is what is causing the trouble about which my hon. friend is talking. The railways have not got the cars. I know the kind of cars they are running out and the railways themselves will admit that they are not fit for soldiers or civilians as modern railway vehicles. But that is all they have.

With regard to the matter raised by the hon. member for Cape Breton South—he started this discussion—with reference to discrimination betwen the services, I have done everything I can and so have my colleagues to canvass these questions common to the service in order to see to it that conditions are exactly uniform with regard to travel and allowances. In connection with travel I have

here the Canadian army routine order No. 3035, which I am advised is in exact terms the order for the air force and the navy, changing the names and ranks in order to suit the particular service which may be referred to. The rule is:

Army personnel below the rank of sergeant, if required to spend two (2) consecutive nights or more on a continuous journey, may be provided with a berth in a tourist car, if available.

This means that a man coming the first night from Halifax to Montreal would not be provided with a berth, and it applies I am told, to the air force just as to the army and the navy. If there are two nights of travel, then as a matter of fact the man leaving Halifax or Sydney gets tourist accommodation on both nights, and if the class of accommodation provided is not available, then he gets the next higher class if that is. The joker in the thing, if there is one, is that this accommodation often is not available; I think that is the real difficulty. I do not think there is any trouble about the regulations.

Mr. DOUGLAS (Weyburn): Is there not this further difficulty, that very often airmen are moved in small groups of probably three or four, being posted somewhere, while soldiers are moved as a unit or company?

Mr. RALSTON: There should not be any difference under the regulations:

Army personnel below the rank of sergeant, if required to spend two (2) consecutive nights or more on a continuous journey, may be provided with a berth in a tourist car, if available.

This still deals with privates, lance corporals and corporals.

Army personnel below the rank of sergeant proceeding on a special duty which requires them to report for duty immediately on arrival at destination, if travelling overnight, may be provided with a tourist berth. If a tourist car is not operated, first-class transportation and standard berth may be provided.

I am informed that this would apply to a motor or tractor driver, for instance, going to meet a convoy at some particular spot. He should be fresh in the morning, so that he is given a tourist berth. The change that was made, the last nail that was driven in order to make these regulations uniform, I think was regulation 3C which I have just read providing that sergeants are to be given a tourist berth when the journey involves night travel. If tourist accommodation is not available, first class transportation in a standard berth may be provided. There was a difference between the air force, the army and the navy in that respect. Up to that time army sergeants were given the same accommodation as other ranks. As I remember it, that particular item was changed several months ago. This order is actually dated March of this year, but the changes that were made in the order, which made it necessary to react it in March, were changes with regard to officers.

I must now say a word with regard to meal tickets. I cannot understand the situation to which my hon. friend refers, if the regulations are as they tell me. It would appear to be a case of bad administration if the hon. member found five men travelling from Petawawa to Halifax, as I understood him to say, having nothing to eat and no means of getting it. I am told that when the warrant for the railway transportation is issued at Petawawa, it includes the meals; and the ticket agent gives the man not only the railway ticket but also tickets for meals. If the orderly room sends down for the tickets, it gets the railway ticket and the meal tickets as well, and gives them to the men. I am told further that if men are travelling and for some reason or another have not been given meal tickets, they are entitled to put in charges for their expenses on the train. The answer to that may be that they may have no money to buy meals with; that may have been the situation with these boys. I am told, however, that without exception the meal ticket is issuable east of Ottawa as well as west of Ottawa. I should like very much if my hon. friend would give me that case, because we would like to run it down. Perhaps the hon. member can tell me the train he was on.

Mr. GILLIS: These boys are now overseas.

Mr. RALSTON: Would the hon. member tell me the name of one of the boys?

Mr. GILLIS: Yes, I will.

Mr. GRAYDON: Why is a differentiation made as between one night and two nights? It seems to me that if we are to do the right thing by these boys, we ought to provide them with some reasonable kind of accommodation for sleeping, even if they are on the train for only one night. I imagine the minister and members of the house who ride on trains often find it difficult enough to obtain decent accommodation. Surely we should not ask these men to travel even for one night without proper accommodation. I cannot see the reason for making any difference between one night and two nights. The travel time is longer, but the principle is the same, and I do not think we should have that difference.

I do not wish to put this in any cheap way, but I do feel that our armed forces are entitled to everything a civilian would get in ordinary travel. As civilians, what are we actually contributing, as compared with these men? If there is any question of differentiation it should be in favour of the soldier.

Mr. RALSTON: I can only say to my hon. friend that the answer is very trite; that is to say, it has always been the practice that the first night is without sleeping accommodation. I thoroughly agree with everything my hon. friend has said and I appreciate the spirit in which he has said it. I know it is not any cheap appeal at all; I believe my hon. friend feels genuinely about it, and so do I. He mentioned that this was not the sort of accommodation that would be provided for civilians. As he knows, however, it has become a regular routine now to run these cheap trips for civilians, on which they sit up all night. I know that trips from Halifax to Montreal are put on in that way, with the trains composed entirely of first-class coaches, and everyone sits up all night. I quite agree that if the rolling stock is available it would be better to have berths provided, but I do not think you would get the rolling stock at the present time; that is my own feeling.

Mr. GREEN: There is just one other matter I should like the minister to discuss with his colleagues, namely, the possibility of granting extra time to men who are going on sick leave, to enable them to get to their homes. For example, men from British Columbia stationed in Toronto become sick. When they get sick leave it means that their time is very badly cut down.

Mr. RALSTON: Does my hon. friend mean men who get sick after they have gone on leave?

Mr. GREEN: No; I mean a man who becomes sick in Toronto, who goes to hospital for a time and is then given sick leave. I understand he is not given any extra time if he happens to be a resident of Vancouver or Halifax; he gets just the same time as though he lived in Ottawa. I may be wrong in that, but I have had some cases of that kind and I think the situation should be remedied.

Mr. DOUGLAS (Weyburn): Could the minister tell us on Monday how this sum of $54,453,570 is divided between the two railways, and what basis is used by the army authorities in determining the railway over which these men will travel? I have had men of all three services tell me that if they are travelling say from Halifax to say some point in the west, they may come as far as Montreal by Canadian National and then for some reason or other may be compelled to switch over to the Canadian Pacific, even though the Canadian National could take them right on to Winnipeg or Vancouver or wherever they might be going. What is the determining factor in deciding how the business is divided, and how has it been divided in regard to this amount of money?

Mr. RALSTON: I am informed that the only rule that governs is efficiency of routing. I cannot understand the change from Canadian National to Canadian Pacific west of Montreal, unless a man was coming north shore or in case it might be possible to get a through train on one railway and not on the other. Has my hon. friend a case in mind?

Mr. DOUGLAS (Weyburn): I have had a number of men on the trains tell me they were compelled to switch from one railway to the other going perhaps to Winnipeg, where the Canadian National could take them very easily.

Mr. RALSTON: Is the hon. member talking about a party of ten or twenty, or a troop train?

Mr. DOUGLAS (Weyburn): I am talking about a small group travelling on a passenger train. Has the minister the figures showing how this money is divided between the railways?

Mr. RALSTON: We would have to get the figures from the treasury department and break them down. We have not them here, though I could get them.

Mr. CRUICKSHANK: I should like this question of travel time to British Columbia clarified a little. I understood the minister to say the commanding officer has authority, though it is not in the book—

Mr. RALSTON: I did not say he had authority; I said I had an idea that quite often the commanding officer made leaves date a little later than the time the men actually left.

Mr. CRUICKSHANK: Then I put it in another way, because I think we have a very just case in British Columbia. So far in this war with respect to embarkation—now, just a moment, do not shake your head, because this is important to British Columbia—all embarkations have been from the eastern coast. That affects British Columbia.

On that ground I ask the minister to give consideration to a further extension of leave for our boys who are on embarkation leave.

Mr. RALSTON: Sick leave.

Mr. GRAYDON: That sounds reasonable.

Item agreed to.

Progress reported.

On motion of Mr. Crerar the house adjourned at 6:05 p.m.

Monday, May 31, 1943

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

NATIONAL HOUSING ADMINISTRATION—UNITS BUILT AS AT DECEMBER 31, 1942

Mr. NICHOLSON:

1. What was the total number of housing units built under the supervision of the national housing administration as at December 31, 1942?
2. What was the total value of the said units?
3. What was the total cost of the administration up to December 31, 1942?

Mr. ILSLEY:

1. Loans approved under the National Housing Act, 1938, and the Dominion Housing Act, 1935, to December 31, 1942, were used to finance the construction of 23,606 housing units.

2. The estimated construction costs of residential dwellings built under the provisions of the National Housing Act, 1938, and the Dominion Housing Act, 1935, to September 30, 1942 (latest available date) were $92,049,322.

3. The administration costs of the National Housing Act, 1938, and the Dominion Housing Act, 1935, to December 31, 1942, total $555,415.33.

ALUMINUM COMPANY OF CANADA LIMITED, AND ALUMINIUM LIMITED—REVIEW OF TAX RETURNS

Mr. KNOWLES:

1. Has the treasury board, at any time since January 1, 1938, reviewed the income tax, and/or excess profits tax returns of the Aluminum Company of Canada, Limited, and/or Aluminium Limited, and/or any other companies subsidiary to or associated with either of the foregoing, under the provisions of section 32A of the Income War Tax Act?
2. If so, on what date or dates?

Mr. ILSLEY:

1. No.
2. Answered by No. 1.

[Mr. Cruickshank.]

PURCHASE OF SYDNEY HARBOUR WATER LOTS

Mr. McGARRY:

1. Did the Department of Public Works purchase water lots on Sydney harbour?
2. If so, from whom?
3. What was the price paid for the lots?

Mr. FOURNIER (Hull): Yes, the Department of Public Works purchased properties on Sydney harbour consisting of land and land covered with water as follows:—

Parcel 1—From the Sydney Foundry & Machine Works, Limited, for the sum of $68,000, by deed dated March 8, 1927.

Parcel 2—From the Sydney Foundry & Machine Works, Limited, for the sum of $75,000, by deed dated April 12, 1939.

Parcel 3—From the estate of J. E. Burchell for the sum of $4,000, by deed dated May 2, 1940.

SALE OF BUTTER FOR OTHER THAN HUMAN CONSUMPTION

Mr. DIEFENBAKER:

1. Has any butter that was in storage been turned over or sold to companies or individuals who are engaged in the manufacture of soap products or other products not meant for human consumption, during the past six months?
2. If so, how much has been sold, to whom, and what prices were secured therefor?

Mr. ILSLEY:

1. The wartime prices and trade board has no knowledge of any butter having been disposed of for use in the manufacture of soap products or other products not meant for human consumption.

2. See answer to question No. 1.

PURCHASE OF CANADIAN WHEAT BY UNITED STATES

Mr. CASTLEDEN:

1. What arrangements were made for the purchase of Canadian wheat by the United States authorities at the April conference in Washington?
2. What is the quantity and grade of each of the grains involved in the agreement?
3. Are the purchases of wheat to be made through the Canadian wheat board? If not, why not?
4. Have permits been issued for the export of grain under this agreement?
5. If so, to what persons, and for what amounts?

Mr. MacKINNON (Edmonton West):

1. United States authorities through the Commodity Credit corporation desired to purchase Canadian wheat for feed purposes to be consumed in the eastern states. As Canadian rail and lake transportation is fully utilized

in supplying the domestic and overseas market, the quantity of wheat to be purchased by the U.S. is limited to the lake tonnage which can be supplied by the U.S. The U.S. lake tonnage available for the shipment of wheat is limited by the requirements of the ore trade.

2. So far the Commodity Credit corporation has purchased 7½ million bushels of Canadian wheat. The grades of wheat to be shpped will be No. 3 northern, or higher.

3. The Commodity Credit corporation decided to purchase this wheat on the open market.

4. Export permits are not required for wheat grading No. 3 northern, or higher.

5. See No. 4.

PRAIRIE FARM ASSISTANCE

Mr. FAIR:

1. What is the amount of, (a) prairie farm assistance; (b) prairie farm income, and (c) wheat acreage reduction bonus, paid to farmers in each province each year up to and including 1942?

2. What is the cost of administration of each act, each year, in the different provinces?

Mr. GARDINER:

1. (a) Prairie Farm Assistance

Fiscal Year	Manitoba	Saskatchewan	Alberta
1942-43	$ 8,498 13	$ 1,203,816 44	$ 1,081,114 84
1941-42	84,662 96	11,138,107 89	2,457,972 02
1940-41	593,793 63	5,499,089 44	625,349 93
1939-40	849,998 26	7,251,661 76	1,351,801 60

(b) Prairie Farm Income

Fiscal Year	Manitoba	Saskatchewan	Alberta
1942-43	$ 129,105 62	$ 1,099,509 10	$ 1,488,897 00
1941-42	2,862,426 92	9,214,169 00	4,221,908 39
1940-41	Nil	Nil	Nil
1939-40	Nil	Nil	Nil

(c) Wheat Acreage Reduction

Fiscal Year	Manitoba	Saskatchewan	Alberta
1942-43	$ 4,314,023 66	$13,806,153 38	$ 6,406,185 43
1941-42	3,835,465 01	16,668,346 12	9,150,417 78
1940-41	Nil	Nil	Nil
1939-40	Nil	Nil	Nil

2. (a) Prairie Farm Assistance—Administration

Fiscal Year	Manitoba	Saskatchewan	Alberta
1942-43	$ 5,760 50	$ 141,444 11	$ 50,723 31
1941-42	14,522 88	316,765 61	91,105 07
1940-41	31,208 83	287,814 86	27,741 20
1939-40	26,973 20	195,464 35	44,158 07

(b) Prairie Farm Income—Administration

Included above in Prairie Farm Assistance Administration

(c) Wheat Acreage Reduction—Administration

Fiscal Year	Manitoba	Saskatchewan	Alberta
1942-43	$ 212,383 89	$ 701,090 49	$ 352,910 22
1941-42	176,790 20	521,648 69	283,334 30
1940-41	Nil	Nil	Nil
1939-40	Nil	Nil	Nil

QUESTIONS PASSED AS ORDERS FOR RETURNS

POLYMER CORPORATION LIMITED

Mr. KNOWLES:

1. What are the names of the directors of Polymer Corporation Limited?

[Mr. MacKinnon (Edmonton West).]

2. Have any individuals resigned as directors of the above company since its incorporation? If so, what are their names?

3. In the case of each of those named in answer to questions one and two, with what firms or corporations are they now employed, with what firms or corporations have they been employed at any time since January 1, 1942, of

what firms or corporations are they now directors, and of what firms or corporations have they been directors at any time since January 1, 1942?

4. What are the names of the officers and directors of Citadel Merchandising Company Limited, of Montreal?

FEED WHEAT AND COARSE GRAINS

Mr. CASTLEDEN:

1. What is the quantity of coarse grains held at present by the Canadian wheat board?

2. What quantity of feed wheat has been shipped to the farmers of eastern Canada through the Canadian wheat board from September 1, 1942, to April 30, 1943?

3. What was the total expenditure by the government in assisting this transfer of grains?

4. How does the government assist in making feed wheat and coarse grains available to farmers of eastern Canada?

5. What price is paid by the Ontario farmer for feed wheat, 2 C.W. oats, 2 C.W. barley, at London, Ontario?

WINNIPEG ELECTRIC COMPANY

Mr. KNOWLES:

1. Was the Winnipeg Electric Company, at any time between September 1, 1941, and April 30, 1942, designated as a depressed industry? If so, by what department of the government, or branch or board thereof, and on what date?

2. What was the decision of the Excess Profits Tax Act board of referees relating to the standard profits claim of the Winnipeg Electric Company, referred to in a copy of a letter dated April 13, 1942, included in sessional paper No. 348, of May 24, 1943?

3. Has the above decision been used by the Winnipeg Electric Company in any representations to the Manitoba regional war labour board relating to the wage rates of any of the employees of said company?

Mr. GIBSON: I ask that this question be passed as an order for return, subject to the usual reservation as to information obtained under the provisions of the Income War Tax Act and the Excess Profits Tax Act.

SUPPLEMENTARY LIVING ALLOWANCES

Mr. KNOWLES:

1. On what projects, or at what plants, have supplementary living allowances been paid by the government, as authorized by order in council P.C. 246, of January 19, 1943, section 212, subsection (3)?

2. To how many individuals have payments been made as above?

3. What is the total amount paid out as above?

4. On what projects, or at what plants, have supplementary allowances been paid, (a) by the government; (b) by employers, as authorized by order in council P.C. 246, of January 19, 1943, section 212, subsection (4)?

5. To how many individuals have payments been made as above, (a) by the government; (b) by employers?

[Mr. Knowles.]

6. What is the total amount paid out as above, (a) by the government; (b) by employers?

UNEMPLOYMENT—PROVINCE OF QUEBEC

Mr. ROY:

1. How many unemployed were there in the province of Quebec during each year from 1931 to 1942, both inclusive?

2. What number of unemployed were given work in each of the above-mentioned years?

3. What number received assistance during each of the above-mentioned years?

Mr. MITCHELL: We have no knowledge as to the number of persons receiving relief because relief is under provincial jurisdiction. I do not know where we might get these figures because the federal government does not deal with relief.

Mr. GRAYDON: Are there no records at all?

Mr. MITCHELL: No. With that provision, it may be passed as an order for return.

NATIONAL RESEARCH COUNCIL—ENLISTMENTS IN MILITARY DISTRICTS 3 AND 4

Mr. DUBOIS:

1. How many officials and employees of the national research council, working in territories known as military districts Nos. 3 and 4, have voluntarily enlisted during the twelve months ending May 1, 1943?

2. Have these voluntary enlistments been credited to the said military districts? If so, how many to each district?

DEHYDRATION PLANTS

Mr. CRUICKSHANK:

1. Have any companies applied for financial assistance to convert their plants, or to establish dehydration plants, for potatoes and other vegetables?

2. If so, what are the names of such companies?

3. Which, if any, received assistance, and to what amount in each case?

4. What companies applied for contracts, and on what dates?

5. To what companies were contracts awarded, on what date, and to what amount in each case?

LUNENRURG, N.S., PORT DOCTORS—SICK MARINERS FUND

Mr. BLACK (Cumberland):

1. Who were the port doctors at Lunenburg, Nova Scotia, during the years 1926, 1929, 1931, 1934, 1936, and 1942?

2. What salaries, fees or other allowances, were paid to them during each of such years?

3. On whose recommendation, and for what reasons, were appointees relieved of their duties and new appointments made?

4. Did drug stores supply port doctors and sick mariners with requisite drugs and other medical supplies during these years?
5. Has this policy been discontinued? If so, why?
6. What sums were paid into the sick mariners' fund through the customs office, Lunenburg, Nova Scotia, in the years 1926, 1929, 1931, 1934, 1936, and 1942?
7. What was the number of vessels, their tonnage, and the numbers of members of crews, during each of such years?
8. Are men in the naval service advised to secure medical treatment from the port doctor at Lunenburg, Nova Scotia? If so, does such port doctor receive special remuneration in addition to salary on scale fixed by government?
9. Why are other resident doctors not permitted to share in such practice?

BRUCE COAL COMPANY

Mr. LACOMBE:

1. Has the Bruce Coal Company, of Ottawa, been prosecuted?
2. If so, for what reasons?
3. Has the trial been postponed?
4. If so, how many times?
5. Does the government intend to proceed effectively against this company?

GRANTS TO PROVINCE OF QUEBEC

Mr. LACROIX (Beauce):

What sums were contributed by the federal government to the government of the province of Quebec, from August 26, 1936, to November 8, 1939, in the form of statutory grants, assistance to unemployed, contributions to old age pensions and to the blind, and in any other manner?

COST OF LIVING BONUS—VETERANS' ASSISTANCE

Mr. CHURCH:

1. How many men of His Majesty's forces have been granted the qualified high cost-of-living bonus under the recent new regulations regarding veterans' assistance, (a) overseas or adjoining territory to Canada; (b) those serving in Canada?
2. To how many men of the forces does this new regulation apply?
3. When did those overseas start to receive this increase over $1.30 per day?
4. Is it given to all the men, or just those whom their officers choose, or under what regulation?
5. How many men have been refused this increase, by whom, and for what reason?

HOUSING—MONTREAL

Mr. CASTLEDEN:

1. What action is being taken by the government to relieve the serious housing situation which exists in many of the larger cities throughout the dominion, particularly Montreal?
2. What steps are being taken to prevent the outbreak of any epidemic which might arise as a result of bad housing conditions?

CANADIAN PACIFIC RAILWAY

INQUIRY AS TO ATTEMPTED WRECK OF MONTREAL-VANCOUVER TRAIN

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I should like to ask a question of the government. I am not sure whether it should be directed to the acting leader, to the Minister of Transport or to the Minister of Justice, but I have sent notice to them all just in case the question may come within their purview.

A Canadian Press dispatch from Fort William under date of yesterday says:

> A railway sectionman was shot and wounded in what was believed last night to have been an attempt of saboteurs to wreck the Canadian Pacific Railway's crack Montreal-Vancouver flier. The section worker was fired upon from ambush when he tried to replace spikes that had been removed from the track.

In view of the widespread public interest which has been aroused by this hinted act of sabotage I ask the government to give a full statement to the house in connection with this report, and I should like also to inquire what steps the government is taking immediately to investigate the incident.

Hon. L. S. ST. LAURENT (Minister of Justice): Mr. Speaker, when I received notice of this question from the hon. leader of the opposition I mentioned it to the acting leader of the government (Mr. Crerar) and to the Minister of Transport and ascertained from them that what was the case with respect to the Royal Canadian Mounted Police was also the case with them. No official report has yet been received concerning this incident. All the information we have at police headquarters here is that the Manitoba division of the Royal Canadian Mounted Police is co-operating with the provincial authorities and with the constables of the Canadian Pacific company in investigating the incident.

REDISTRIBUTION

INQUIRY AS TO PROCEDURE

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I would like to direct a question to the Secretary of State. Could he inform the house when the government's proposals for redistribution will be made, and whether consideration has been given to the suggestion that a judicial committee rather than a parliamentary committee might undertake the task?

Hon. T. A. CRERAR (Acting Leader of the Government): Mr. Speaker, consideration is being given to the manner in which redistribution will be brought before the house.

LABOUR CONDITIONS

MEASURES TO RELIEVE MAN-POWER SITUATION ON FARMS

On the orders of the day:

Mr. J. S. ROY (Gaspe): Mr. Speaker, I would like to ask the Minister of Labour a question on a very important and urgent matter. I have received many complaints that the sons and employees of farmers are being called up at this time right in the midst of the sowing season. Public opinion seems to be alarmed over this. I hold in my hand the *Financial Post* of May 29, which complains of this state of things and asks if postponements could not be granted to the sons and employees of farmers until the sowing season is over.

Hon. HUMPHREY MITCHELL (Minister of Labour): If my hon. friend will forward to me the complaints he has received I shall be glad to look into them. I would say that the newspaper to which he has just referred cannot, I think, be considered an authority on call-ups under the selective service programme.

PARLIAMENTARY ASSISTANTS

OPINION AS TO LEGAL STATUS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I was rather hoping that to-day the Minister of Justice might have an answer to the question which I have propounded to him on one or two occasions as to the swearing in of the parliamentary assistants. I hope he is now in a position to enlighten the house.

Hon. L. S. ST. LAURENT (Minister of Justice): I have had this question examined by the law officers of the department and was informed by them that they found no provisions, statutory or otherwise, which require that the parliamentary assistants to the ministers take any additional oath beyond the oath of allegiance that they naturally took before they became members of the house. There is a provision in the statutes under which other persons than those named can be required by the governor in council to take, in addition to the oath of allegiance, an oath of secrecy, and the question whether or not that would be appropriate is still under consideration.

Mr. GRAYDON: Have the parliamentary assistants access to the secrets of cabinet council, and are cabinet secrets discussed with them? If they are, it seems to me that an oath of secrecy should be taken. If they have not that access, the position of parliamentary assistant in relation to the cabinet generally should be clarified.

Mr. St. LAURENT: I can assure the hon. member that up to the present time cabinet secrets have not been discussed with the parliamentary assistants. The question whether or not they should take the oath of secrecy so that it might be unobjectionable to discuss with them certain matters which otherwise would be kept from them is still under consideration.

Mr. MacNICOL: That is fortunate, anyway.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Friday, May 28, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE

The CHAIRMAN: We are on item 4, dealing with the construction, purchase, repairs and operating expenses of properties.

Mr. GREEN: Mr. Chairman, this item is for $109,401,172. That is an increase of about $35,000,000 over the estimated expenditure for 1942-43. In the break-down that was given on March 3 of this year, which will be found at page 920 of *Hansard,* it is shown that $62,780,482 of this amount is for capital expenditure. The balance is for repairs, operating expenses and rentals. Will the minister tell us what provision is made for checking the plans of the various new army buildings before they are built? For example, is there any authority who decides what type the construction shall be, having in mind the cost? Is there anyone who decides how large the building shall be? Just what check is there on this construction? I mention these points because to those who see these buildings going up many of them appear to be of such construction and material that they would last for fifty or a hundred years, and accordingly must cost much more than a temporary building would. Yet we all know that they will be of no use at all after the war. In many cases there has been tremendous waste. Leading men in the construction business have come to me and said, "It is all money in our pockets to put up these huge permanent or semi-permanent buildings, but it is a terrific waste of public money, and we think some care should be

taken to see that the buildings are not of such an expensive type." The very fact that this expensive type of building is being put up annoys our people and makes it that much harder to get in taxes and to sell victory bonds. I should like to know just what system the Department of National Defence has of checking the type as well as the cost of the various buildings that are being put up for military purposes.

Mr. RALSTON: The system is that the particular service which considers that the building or other structure is required makes a requisition, which comes through the particular district concerned, to the national defence department. I may as well deal with the question of construction, *vis-à-vis* existing buildings, because it seems to me that that comes into it.

The question always is whether or not the service can do with something which exists at the present time, either by, if it is for accommodating personnel, putting more personnel in that particular building, by making such readjustments that less floor space will be occupied per head; or readapting the building; or making some addition to the present building; or acquiring some building already constructed and adapting it in order to save labour and material.

In the army we have adopted a practice of requiring from the district officer commanding what we call a certificate of necessity with regard to new construction. We ask him to certify that he has carefully reviewed the necessity for so-and-so—whatever it may be, and he says:

With full knowledge of my responsibility I give assurance

(a) that full consideration has been given to the necessity of conserving materials and labour involved in further construction;

(b) that the provision of accommodation to the extent and for the purposes proposed is necessary in the interests of the service;

(c) that no rearrangement of personnel is feasible to provide the required space in existing accommodation;

(d) that there are available no existing buildings held by the government which could practicably be altered or extended to provide the required accommodation;

(e) that the necessary additional accommodation cannot be secured by acquiring or leasing on any reasonable terms existing civilian buildings;

(f) that there is no other feasible provision which can be made as economically for the services required.

After that certificate is signed and forwarded to headquarters, the matter has to be dealt with; that is, the deputy minister and the engineer services generally examine into the matter, and if they consider there are no facts which would justify them in questioning that certificate, the question of the best type of building then becomes the responsibility of the engineers of the quartermaster-general's branch. The deputy quartermaster-general (engineering) is himself an engineer and was a contractor in civil life, and he is, I think, well acquainted with the necessities regarding types and various kinds of construction.

I think the general plan followed in connection with the construction of these temporary or semi-permanent buildings is that they should have at least five years' life; that is to say, the services and the general equipment must be such as will give service for five years. In that connection there has been experimentation, of course. If my hon. friend is thinking of buildings in Ottawa, some buildings were started quite early; I believe the first buildings which were erected were put up by the Department of Munitions and Supply to house their personnel. I should think that that general type of building has been followed pretty consistently. There have been changes from time to time, but the instructions are and every effort is made to build a building at the lowest possible cost consistent with the purpose for which it is required. That is to say, in weather such as we have had you cannot house personnel, either male or female, in buildings which are not properly heated, which are not properly ventilated, which have not a reasonable amount of light and which are not reasonably convenient; also, such buildings should be reasonably soundproof, so that there will not be too much noise from one office to the other.

The engineers of all three of the armed services have been at work on these matters endeavouring as far as possible to evolve the best possible type for the least money; that is, so far as what might be regarded as temporary buildings in Ottawa are concerned. I know, as my hon. friend knows, that, for instance, Camp Hill hospital at Halifax was erected as a temporary building in the last war and that it is still being used. The same state of affairs exists with regard to St. Anne's in Montreal. You cannot put up a building which is so temporary that it will fall down just at the end of five years and yet have been sufficiently useful for the purpose for which it was intended. There is therefore a degree of permanency in connection with all these buildings.

With regard to camps, quite early we evolved a plan of hut construction. That has been varied somewhat as time went on and as experience gave us opportunities to

improve; and by "improve" I do not necessarily mean increased cost, but enhanced utility and convenience for the same amount of money. I think I can say that we have in the army a standard type of hut, of which I am sure my hon. friend knows, both in the way of messing huts, which are built in the form of an H with the kitchen in the bar of the H, and in the form of sleeping huts, which are also in the form of an H, with wash-rooms and ablution rooms and toilets in the bar of the H. I believe these have been reasonably satisfactory and that the cost has been as low as it could be, having regard to the necessity of decent construction and of buildings which will house men properly.

The answer to my hon. friend is that the responsibility is on the engineers of the department, who are in constant consultation with others, including the engineers of the Department of Munitions and Supply, and the experience gained has been helpful in producing as time went by, an improved type of hut and of building at what is regarded as a moderate price, having regard to the service which has to have the accommodation.

Mr. GREEN: Well, is there no check by any other department? Apparently the defence department decides what buildings it needs and then builds them, and there is nobody to check the decisions. It does seem that there should be some check, perhaps by the Department of Munitions and Supply, perhaps by housing experts under the Department of Finance, to see that these buildings are not too expensive. I believe the idea is prevalent across Canada that a great deal of money is being wasted on these buildings. I would ask the minister to tell us whether it would not be possible to set up some system of checking both the types of, and the expenditures on, these different army buildings.

Mr. RALSTON: The D.Q.M.G. advises me that we have had independent engineers from time to time in consultation with regard to plans and specifications. There has not been any other department which checks on the engineers of the Department of National Defence (Army): that is part of our job, and it is in the deputy minister's purview to see that the job is done as cheaply as possible. I do not think that the Department of Munitions and Supply are in a position or would want to be in a position to check the matter of specifications and that sort of thing for all the different kinds of accommodation which are needed. The Department of Munitions and Supply is a procuring agency for accommodation just as it is a procuring agency for armaments or equipment or anything else. The kind of specifications, the degree of need, et cetera, have to be checked by the department concerned, and the matter comes in due course to the government in the form of an order in council when the contract is let by the Department of Munitions and Supply.

Mr. GREEN: These buildings all require lumber and other building materials in huge quantities and necessitate labour of various kinds, with the direct result that it is impossible in Canada to-day to build sufficient houses to accommodate our people, apart from the cost that is incurred. I suggest to the minister that there should be some method of checking these military buildings. Here we have a vote of nearly $63,000,000 for this present fiscal year, presumably for the construction of new buildings. The total expenditure on this item has gone up $35,000,000 over what it was last year; yet the minister told us that the army in Canada was to be reduced by at least 15,000 men in this fiscal year. Buildings have been put up all over the place. Why is it necessary to have this greatly increased vote in the present year under these conditions?

Mr. RALSTON: The suggestion that the vote is increased is perhaps not strictly accurate. It is true that the figures show an increase but it is accounted for in this way. The expenditure last year is shown as $75,000,000, whereas the anticipated and estimated expenditure was about $90,000,000. That means that $15,000.00 of the actual estimated expenditure was not used; it is $15,000,000 less than was provided for the buildings intended. In other words, if the materials had been available and the projects had been completed, the expenditure last year would have been $90,000,000, and instead of this $15,000,000 being spent this year, thus increasing the amount to $109,000,000, the expenditure this year would have been $94,000,000. So that the vote is about the same this year as it was last year, having regard to the needs in the particular year.

My hon. friend asked why it was necessary to put up buildings. I have not before me the list of buildings but I can give some idea of the construction. There is a considerable amount of construction overseas—I am purposely not giving the amount—and a considerable amount for anti-aircraft and airport defences and coast defences. The completion

of the coast defences is still going on and that is a large item. There is further construction in Newfoundland of several millions; there are certain communication and signal stations and equipment particularly in two vital areas that require construction; there is hospital construction and renovation, which includes something in connection with convalescent hospitals; there are special ordnance buildings which have a low priority on the building list but which are vitally necessary. If my hon. friend was here the other day he will no doubt remember that the hon. member for Broadview (Mr. Church) complained bitterly that ordnance at the present time in M.D. No. 2 is occupying a part of the post office building, which the Postmaster General desires very much to have. We have not been able to get out of it this year and construct an ordnance building and I do not know when we shall be able to do so.

There is accommodation at Longue Pointe which has involved millions of dollars and the purpose for which the committee knows. There is training centre accommodation. There are two training centres not yet completed and there is accommodation also for a staging camp. There are certain storage and depot buildings and other projects as well. Most of these do not involve accommodation for personnel but rather for services which are necessary to enable us to carry on here in order that we may make our most effective contribution.

In some items here, certain reductions have already been made, and our policy is that in anything that can be reduced, even though it has been authorized, a reduction shall be made if the circumstances justify it. The deputy minister is constantly reviewing, with the chief of the general staff, every item of construction to see whether or not the situation may have changed or is likely to change, so that this or that particular item may be eliminated or may be modified with a view to reducing costs.

Mr. GREEN: How much of this capital expenditure is to be spent overseas?

Mr. RALSTON: I can give it privately to the hon. member; I should prefer to do that.

Mr. GREEN: Is it a large proportion?

Mr. RALSTON: Some millions.

Mr. GREEN: The navy is also asking for over $36,500,000 for capital expenditure for construction and the air force is asking for practically $93,500,000 for the same thing. It is a tremendous amount.

Mr. RALSTON: The hon. member referred to the tremendous amount of lumber and material required—

Mr. GREEN: And labour.

Mr. RALSTON: —and labour. No one appreciates that more than we do in the services. There is an inter-service priority committee which meets and goes over the respective projects and endeavours to place them in some order of priority which will enable the most urgent to be done first, dealing with the Department of Munitions and Supply on that basis. There have been constant meetings between the deputy ministers and the controllers of lumber and of other materials to ensure that first things come first. We are under no illusion as to the scarcity of materials or the necessity for conserving them.

Mr. BENCE: I am concerned about the matter to which the hon. member for Vancouver South (Mr. Green) has referred. In the first place, the minister has stated that the particular department concerned deals with these various matters. For example, if a building is required for the purposes of the Department of National Defence, only that department concerns itself with acquiring that building. At least, so I understood him. I should like to know how the whole situation is canvassed in view of the existing possibilities of finding some substitute instead of building, in order to save the necessary materials that are being used. For instance, is there anyone in the department who will go through Ottawa and canvass the whole situation and determine whether or not a certain building on a particular street could be used, thus avoiding the necessity of erecting a new temporary building? Again, is the department prepared to put up with a certain amount of inconvenience instead of erecting a new building, in order that necessary materials may be saved, together with the labour that will be required?

I should like to know what the policy of the department generally is with respect to purchasing and renting. In some of the returns made to the house I find for example that in the city of Ottawa a substantial amount of property has been purchased by the Department of National Defence. I am confining my remarks to the army; I am not here dealing with the navy or the air force. Here are some of the buildings acquired: Ottawa Ladies' College, purchased for $225,000; Woods and Canadian buildings, purchased for $680,000; Aylmer apartments, purchased for $321,000; Bate building and Truro apartments, $233,000. I should like to know what the policy of the department is with regard to such purchases. Did it determine first of all whether there was any

possibility of renting these buildings? Did it consider whether it would be better to rent than to purchase, and did it consider the question whether such buildings could be used after the war? In other words, what has the department in mind with respect to these buildings? In Saskatchewan, according to a return given to the house, no buildings have been purchased; whereas, in several of the other provinces buildings have been purchased, and in some a substantial number.

Mr. RALSTON: In what province have no buildings been purchased?

Mr. BENCE: Saskatchewan. I have in mind the fact that in Regina a building known as the Westman chambers is being rented for $20,000 a year. The assessed value of the land and buildings is $80,390. What did the department have in mind in renting rather than purchasing that building? Then, what did it have in mind when it purchased various buildings in Ottawa, rather than trying to negotiate rental payments for their occupancy?

Mr. RALSTON: Generally speaking the plan is, if at all possible, to get the use of the building rather than to invest in it. I repeat that that is the general pirnciple. But that principle is cut into by reason of a number of considerations. One is that if we rent a building it generally has to be renovated or adapted for office use. In such circumstances we have to give an undertaking that at the end of the rental term it will be restored to its previous condition. The result is that we have found renting so costly that manifestly it would be uneconomical to rent rather than to buy. I am referring to a building, of course, which would have a post-war use. Time and again we have been tempted to use our power of expropriation of a limited interest, that is to say two, three or four years, instead of taking over entirely. And time and again our real estate advisers have reported that it would be uneconomical and bad business for us to do so, having regard to the obligations we have to undertake, (a) to make capital expenditures on the building so that it may be suitable for our use, and (b) that at the end of the time we would remake or remodel the building, so as to put it back in the shape in which it was when we took it over. I can assure my hon. friend that the keeping down of capital expenditures has been one of the cardinal principles we have tried to adopt wherever practicable. The difficulty has been that no one can guess the length of the war.

[Mr. Bence.]

The hon. member referred to the purchase of the Ottawa Ladies' College for the use of the Canadian Women's Army Corps. In that connection every consideration was gone into. I do not think the valuation of any building could have been gone into more thoroughly than was this one by our real estate officers. We were advised that the Ottawa Ladies' College refused to lease. They would sell, or nothing. This meant that we would have had to expropriate, on a limited interest, carrying it for three or four years, and then handing it back, with the liability for remodelling. As my hon. friend probably knows, it was considered desirable property as a permanent building. It was believed much good use could be made of it after the war, and the department considered the advice of our real estate advisers was sound. The result is that the purchase was made.

Mr. BENCE: Is it the thought of the department that a building like that will be resold after the war?

Mr. RALSTON: All I can say on the point is that that just depends on the need for buildings.

Mr. McCANN: Who are the appraisers or valuators in Ottawa?

Mr. RALSTON: Our chief real estate adviser is Colonel Goodwin Gibson of Toronto, who has been in the department from the beginning. He has with him a number of gentlemen, all of whom have been in the real estate business. Then, he has the benefit of the advice of real estate advisers in Ottawa. I cannot remember offhand the name of the appraiser who worked with Colonel Gibson in the appraisal of the Ottawa Ladies' College. However I can give those names later, and I can also give the names of those who appraised the Woods and Canadian buildings and the Aylmer apartments.

The Woods and Canadian buildings are one illustration of the folly of leasing permanent buildings. I do not know how long we have had the Woods building, but I know I was there in 1926 when on an earlier occasion I was Minister of National Defence. The Canadian building was there also at that time. I am sure that in rentals paid we have paid completely for the Woods building, when we consider the time it has been occupied. It was decided we should purchase these buildings and put an end to these annual obligations. Then, we wanted to obtain the benefit of 12,000 square feet which could be obtained by joining the two buildings with a per-

manent structure. That has been done, the new portion having just been completed. The whole has been made into one building.

If I remember correctly the Aylmer apartments were purchased at the time the Department of National Defence for Naval Services was formed. It is just opposite the Woods building. It was considered desirable to purchase the building for purposes of national defence—any one of the departments—as was the case with the Bate building. That was the income tax building; it stands directly alongside. This means that the crown owns all the property on both sides of Slater street from Elgin street to the park.

Mr. GLADSTONE: Are those buildings included in the Ottawa beautification scheme?

Mr. RALSTON: I do not know whether my hon. friend is being sarcastic when he asks that question.

Mr. GLADSTONE: Not at all.

Mr. RALSTON: My hon. friend is asking whether these buildings would be included in the scheme connected with the widening of the street?

Mr. GLADSTONE: There has been some talk about their demolition.

Mr. RALSTON: There is no such plan yet. I must say that I do not see any possibility of the demolition of buildings of that kind for a great many years after the war. I believe we have to set our faces against that sort of thing for a while. We will have to do without some beautification measures for a little while. Possibly that would have taken place if the war had not come along, necessitating other expenditures.

The hon. member asked if there was anyone in Ottawa or in the department who canvassed the situation in the city as to the availability of accommodation.

Mr. BENCE: The necessity for saving materials.

Mr. RALSTON: With all due respect to real estate men in Ottawa, I think the hon. member would find in Colonel Gibson's office as complete a catalogue of every bit of space, prospective, potential or present, as could be found anywhere. Colonel Gibson and his associates have toured this city from end to end, time and time again, almost at the point of the bayonet, in the hands of officers who needed space and were unable to get it. Not long ago we had a situation where personnel, instead of having something like 75 or 80 feet of space, which is considered the average amount required, had only 45 or 50. I know Colonel Gibson has looked in every direction to find space which could be used without having to construct new buildings. I am sure no one was more regretful than we were in the Department of National Defence when we had to accede to the suggestions from the navy and the air to allow buildings to be erected, and when later we had to use the remainder of the space for a building for the Department of National Defence (Army). But it was simply impossible to find accommodation of the kind required by the services.

I can say that the building on Cartier square, which is being erected by the army, will be practically filled by the quartermaster-general, the master-general of the ordnance and part of the treasury. The tremendous strain under which these departments have been working will be realized when I say that the master-general of the ordnance has been accommodated in eighteen or nineteen different buildings in Ottawa. I believe that number is correct. Those buildings will be vacated by M.G.O. staffs when the move is made into the new one. But it was simply impossible to carry on properly with a staff scattered throughout the city. As a matter of fact, if I may make a personal reference, I would say that one of my own offices was used by draftsmen of the engineers' branch of the quartermaster-general. We had special lights installed in order that they might prepare the plans for these different buildings. The fact is that we have had a very difficult time, from the point of view of space.

Mr. BENCE: What possibility is there of some of this work being done in other centres, away from Ottawa? Would it be feasible to have some branches in other cities, where more accommodation is available, rather than have them all in Ottawa? Then, with respect to sales: Were sales effected directed between the Department of National Defence and the owner, without the intervention of a real estate agent?

Mr. RALSTON: Absolutely.

Mr. BENCE: I should like an answer to the other question.

Mr. RALSTON: That is really a matter for my colleague the Minister of Public Works, rather than for me.

Mr. BENCE: It is a matter of policy with respect to the Department of National Defence, to a certain extent.

Mr. RALSTON: I may say to my hon. friend that it is always a case of being willing to sacrifice your wife's relations. Each depart-

ment is perfectly willing to have someone else make the move; each is absolutely convinced of the soundness of the principle that some other department ought to move out of Ottawa, but it is difficult to persuade a particular department that this is possible in its particular case.

Mr. BENCE: They all want to be here.

Mr. RALSTON: Yes. I am not going to put up any defence for the Department of National Defence, but we think it is absolutely necessary that the department be here. We moved the records office out to the experimental farm, and we have under construction an ordnance building out at Plouffe park; those are both some distance away. With these exceptions, however, there has been a gradual centralization, and that will be more or less accomplished when the new army building on Cartier square is completed. I can say seriously and sincerely that I am entirely in agreement with my hon. friend that some way ought to be found whereby congestion in a centre like Ottawa could be avoided. There are places which suggest that they might accommodate people, but always you find physical difficulties brought about by the fact that we are in a period of stress and strain and rush, and we have problems of transport and accommodation. If you move a department you have to move the personnel; if you move the personnel you have to put up buildings for them wherever they may be. I do not think it can be said that Toronto has very much space; I do not think Montreal has very much space. Therefore any move would have to be to a smaller place, and generally speaking in these smaller places you have to provide accommodation for personnel as well as for the particular activity carried on.

Mr. PERLEY: Following the suggestion by the hon. member for Saskatoon City and the statement made by the minister, there is, as the minister said, one province in which there has been very little construction carried on; that is the province of Saskatchewan. Has a proper survey been made to see whether it would be better to construct one or two new buildings in the city of Regina instead of renting several buildings and space in several others? In this item, as I understand it, there is an amount of $46,620,000 for rentals alone. Can the minister give us a break-down of that amount, to show just how much of it will go to Saskatchewan? The return which was referred to by the hon. member for Saskatoon City shows that in the city of Regina alone many buildings and parts of buildings have been rented; I think the total is something like sixteen. Perhaps the minister would refer more particularly to the terms under which his department has taken over the Regina college, the Regina normal school and the Regina Trading building.

Mr. RALSTON: Is that not under the air force?

Mr. PERLEY: It is given here under national defence.

Mr. RALSTON: Is that under the army?

Mr. PERLEY: Yes, under the army; I have checked off the ones coming under national defence.

Mr. RALSTON: I think my hon. friend will find that the normal school comes under the air force.

Mr. BENCE: They are both under the air force.

Mr. RALSTON: This was a joint return, apparently, covering all three services.

Mr. PERLEY: The hon. member for Saskatoon mentioned that $20,000 a year was paid in rental for the Westman chambers, and I notice this return also sets out the McCallum Hill building. I have checked the rentals paid per square foot, and I find a very wide range, from as low as 15 cents to as high as 35 and 40 cents. Most of these buildings are in the centre of the city. How is the amount of rental arrived at and what investigation is made to be sure the standard is fair? I should like to know also who recommended that these particular buildings be rented by the department, and finally I should like the minister to tell me how much of this $46,000,000 will go to Saskatchewan?

Mr. RALSTON: My hon. friend is wrong about the $46,000,000; that refers to operating expenses of property; fuel; light; operating expenses of property overseas; repairs to property; engineer stores and equipment, and so on.

Mr. PERLEY: And rentals.

Mr. RALSTON: Quite so. The total amount there is something like $17,000,000. My hon. friend wants a statement or break-down showing what rent is paid by the army in Saskatchewan, or just in Regina?

Mr. PERLEY: In Saskatchewan, with particular reference to Regina.

Mr. RALSTON: That will be given. I think there is some confusion about some of these buildings; remember, I cannot carry all these matters in my head, nor can the deputy quartermaster-general remember them all. I

doubt whether the Regina Trading and McCallum Hill buildings are rented by the army.

Mr. BENCE: Yes, there is a recruiting centre in the new McCallum Hill building, at an annual rental of $6,800.

Mr. RALSTON: Would the hon. member give me the number of the return to which he is referring?

Mr. PERLEY: It was brought down on March 15, I believe; I just copied the main part of it.

Mr. BENCE: I am sorry I have not the number. It was passed as an order for return on March 15 and tabled on May 13.

Mr. RALSTON: I have these notes with regard to Regina. My hon. friend had an idea that not much construction had been carried on there. There was some construction, though perhaps not much when compared with the construction in Ottawa or Halifax; it amounted to a little over $200,000. There was additional accommodation for the Canadian Women's Army Corps, which I think I saw when I was there; there was the amalgamation of the two depots, No. 12 and No. 12A; I think that is out near the exhibition buildings, if I am not mistaken. There were repairs to the Keist building for the use of stores; the construction of a recreation room, and provision of a parade ground. Those are all in Regina properly. Then at Dundurn, as my hon. friend knows, there was accommodation for C.W.A.C. personnel and there were expenditures on the water supply. My hon. friend knows also that a complete training centre was established at Maple Creek, at an expenditure of something like $500,000. In Saskatoon there was an officers' mess and repairs and renovation to the stadium, totalling a little over $30,000. At Prince Albert there was an expenditure of $340,000 at the basic training centre.

Mr. ADAMSON: What were the expenditures during the last fiscal year at Camp Borden?

Mr. DOUGLAS (Weyburn): While the minister is getting that information perhaps I could ask something with reference to Saskatchewan. First, I should like to refer to the conditions of the barracks at Saskatoon. In the early stages of the war it was necessary to put men in any quarters that were available, but since that time many fine huts have been built and other buildings have been taken over and fixed up. With that in mind, I was shocked during the Easter recess when I visited the exhibition grounds in Saskatoon and saw the conditions under which these men had to live. They have built a new officers' mess which is a lovely building, but the quarters for the men underneath the grandstand are just about as undesirable as I could imagine. The quarters were not filled, but even as it was they were badly crowded. I understand that all the beds have been occupied and probably will be again, and if that should happen there certainly would not be sufficient cubic feet of air per man. I checked the number of wash basins and showers and the toilet facilities with the idea of writing the minister when I came back. I have been too busy to do that, but I can give him the figures. There are certainly not adequate washing and toilet facilities for the number of men quartered there. If I remember, there were about sixty-four wash basins and about eleven or twelve showers, but I am speaking only from memory; the figures are upstairs. But the facilities were not adequate to take care of the number of men quartered there then, and most certainly they would not be adequate if all the beds were occupied.

The men pointed out to me that they had no facilities for washing their clothes and the result was that many of them had to send out their laundry. This was quite a heavy item of expense especially for the married men who had assigned part of their pay. Laundry facilities should be provided so that these men could wash their clothes. A pipeline running along one side of the stadium had been covered with manure to protect it from freezing. I do not know whether it is to remain covered, but even though the day on which I was there was not very warm, I could hardly stay in one end of the sleeping quarters because of the stench. In really warm weather that end of the barracks would be positively uninhabitable. After three years of war I was surprised to see men in quarters like that, especially when there are so many fine quarters in other places.

I should also like to ask the minister about the fire which took place in the barracks at Regina. The newspapers report about a quarter of a million dollars' worth of damage. I should like to know if there has been any investigation into this fire. There have been rumours of sabotage, but those rumours always start. Has there been any investigation as to the cause of the fire and whether there was adequate fire protection and whether there were adequate fire fighting facilities? Are proper precautions

being taken there and elsewhere to protect army quarters against a recurrence of this sort of thing?

Mr. RALSTON: In connection with the conditions at Saskatoon I may say that I have not had a report of the kind my hon. friend refers to. It might not come to me, but the inspector-general is rigorous in these matters. The depot at Saskatoon is to be amalgamated with Regina and the conditions that prevail there will not have to be borne very long. I am not suggesting that they should be put up with at all, and perhaps some temporary arrangements should be made to eliminate the conditions of which my hon. friend speaks. Perhaps I am more impressed by what he says about the stench and general atmosphere than I am with regard to the matter of air space, because I do not think the quarters will be filled up. The Regina depot is being built for the purpose of amalgamating the two. I am obliged to my hon. friend for bringing this to my attention and if there is any possibility of these men being there any length of time I shall see to it that temporary remedies are applied at once.

All I have seen with regard to the fire at Regina is the telegraphic report which is required to be sent in and which answers certain specific questions at once. The two points with which I am most concerned is the matter of the adequacy of fire protection and fire fighting equipment, and the cause of the fire, whether or not it was sabotage. There was no evidence of any kind as to the cause of the fire, but the investigation was proceeding when this wire came in. With regard to the adequacy of the fire equipment, I was concerned about the fact that the answer made was that the equipment was not adequate for this fire. That raised the question whether the equipment was the standard equipment. I personally put questions on the memorandum. First, I asked: Was this equipment adequate, having regard to the standards we have set up for fire equipment in these different places? If it was inadequate for this fire, does this indicate that the standard is insufficient? The memo came to me on Friday and I made inquiries about it at once. It is just answered briefly in that respect and there is no indication as to what the town fire equipment was as compared with the military fire equipment. I hope to have further information on that point.

Mr. BENCE: The minister has said that the conditions referred to by the hon. member for Weyburn will not have to be put up with very long because these men are to be moved.

[Mr. T. C. Douglas.]

The complaint we have in Saskatoon is that the solution to every problem is to take away men or equipment from the city. We have one of the finest cities in western Canada with ample facilities of all kinds. For years we have been trying to induce the administration to construct proper armouries in Saskatoon. I think the minister from his own experience of that city will realize that it is a fine place for such a building. Our strongest complaint is that the centres which are closer to national defence headquarters always seem to be able to put on sufficient pressure to have necessary buildings erected, but the answer given to a place like Saskatoon, which is 1,500 to 2,000 miles from Ottawa, is that there is no material or labour; yet in other parts of the country there seem to be ample. On a number of occasions I have referred to the number of temporary buildings which have been erected in Ottawa, which number is increasing every year. These buildings required material and labour and yet there never seems to be any available to construct a proper armouries in our city. We are right in the centre of the province and are one of the largest recruiting centres in the province. I should like to know why it is that only $30,000, representing material and labour, can be found for that city whereas large sums are found for other centres in the country.

Mr. RALSTON: My hon. friend puts it on a very narrow basis when he asks that question. We are not finding money for cities, as my hon. friend knows.

Mr. BENCE: You are finding it for accommodation, and the accommodation there is bad.

Mr. RALSTON: My hon. friend asks why can we find only $30,000 for Saskatoon.

Mr. BENCE: Not for Saskatoon, but for accommodation in Saskatoon.

Mr. RALSTON: Nothing is too good for Saskatoon, of course, in my hon. friend's mind or in my mind either, so far as that goes. Saskatoon is the junction point and the service point for Dundurn camp. That is where all the men go. There are not very many military establishments there, I know, and nowhere has a military establishment been supported more enthusiastically than by citizens of Saskatoon. But we do not make allotments for the different cities. There are a good many cities and towns, some of them much nearer home than Saskatoon, which feel they have been overlooked. I can only say to my hon. friend that I had his representations and representations from gentlemen

who came down here from the board of trade or chamber of commerce—I have forgotten which—particularly about Dundurn, and I tried to take a personal interest in the matter. I am sorry that the situation was that the quarters which existed in Saskatoon were such as to make it desirable not to build in two places but to combine the depots just as depots for other provinces are combined. I think that was proper economy and proper efficiency. I do not think there is any other province which has two depots. I fully realize the justice, shall I say, which would be done by recognizing Saskatoon in every way possible and I tell my hon. friend that I certainly will keep it in mind, as I have promised to do before. Representations were made with regard to building materials there, but we were not able to use them as yet. I spoke to the deputy quartermaster general about that to-day. It has not been economically possible to use that material. But the wheel turns sometimes. I need not say to my hon. friend that there is no disposition to do anything but recognize Saskatoon in every possible way, and the fact that only $30,000 was spent there is no indication of what the department thinks of the contribution Saskatoon has made. There are many other cities and towns in Saskatchewan and elsewhere which would be equally glad to have Saskatoon's proximity to a camp like Dundurn and the opportunity to serve the boys of that camp and have the benefit of whatever might come from the city's proximity to the camp.

Mr. DOUGLAS (Weyburn): Has the minister given consideration to the question whether it is advisable to concentrate these military establishments in one city? It often means moving large bodies of men into cities that are already highly congested, and it means taking equipment out of other places which have already been set up. For instance, if the present military establishment is moved out of Saskatoon to be merged with the Regina set-up, there is already standing the officers' mess I have already mentioned, put up at an expenditure of $25,000 or $30,000, which will no longer be used. It is just newly built, and workshops and equipment have been set up there also. Of course the equipment could be moved, but it seems to me it is time the department gave some thought to the wisdom of moving these military establishments into cities which are already congested. Certainly it has been of great advantage in Saskatchewan to have training camps at Prince Albert and Maple Creek. It has taken a strain off the larger centres. In Weyburn we have an excellent barracks on which considerable money was spent. It is now standing empty. It could easily train five or six hundred men, and they would be much better quartered there than in some of the larger cities. Before the department takes a definite step in the matter I hope that consideration will be given to putting in a few huts to make it possible for troops to be trained in various centres rather than concentrating them at one large point, with the danger of adding to the congestion that already exists.

Mr. RALSTON: The thing which is being moved is the depot. The hon. member for Saskatoon City will correct me if I am wrong, but I think the vocational training establishment is still there. What is being moved is the depot. Honestly, while I agree with my hon. friend about dispersion as far as possible, I believe the depot can best be run when concentrated at one place. There you have, on the one hand, the men who are coming into the army, and on the other hand you have the men who are leaving the army. You have all your provision for induction into the army and medical examination. We are endeavouring to have these reception centres, as they are called, made just as complete as possible. It would mean two establishments if we had to duplicate all that organization in Saskatoon or some other place. It is not done in the other provinces. In the case of the depot I do believe it is desirable to concentrate. A good deal of consideration was given to the matter before the decision was reached, and I believe the decision is sound.

The hon. member for Saskatoon City said a word about armouries. The policy is not to build armouries during the war, and I think I advised my hon. friend of that. So much in the way of temporary building has to be done that we feel we would not be justified in adopting any policy now of building permanent structures for the purpose of armouries. Primarily, of course, they would be for the use of what would become active battalions, but armouries are generally built for the reserve battalions in peace time. I have had representations from other places as well. I am sorry that I cannot hold out any hope of the present policy being changed, much as I should like to meet my hon. friend's wishes if we were in a position to do it.

Mr. DOUGLAS (Weyburn): Is vocational training to be retained at Saskatoon?

Mr. RALSTON: I think so.

Mr. DOUGLAS (Weyburn): These are the men who are living under the grandstand in the stadium. Some consideration ought to be given to building huts for them.

Mr. RALSTON: That is a situation which will be relieved when this move is made.

Mr. NOSEWORTHY: While we are on the subject of construction I will review a case for the minister's consideration. I think it has already been called to his attention. On September 11 last, twenty construction men employed by the Royal Canadian Engineers at London were discharged without being given any notice or any pay in lieu of notice. The matter was referred to selective service by the local union, and I have here copies of correspondence in which the assistant director of national selective service assures the Canadian Congress of Labour that the work on which these men were engaged was not casual work and did not come within the conditions where discharge was possible without notice. I have here one letter in which he assures the secretary of the Canadian Congress of Labour that every effort is being made to induce national defence to pay these men their seven days' pay. He says in that letter:

I should hate to have to take legal action on the part of national selective service against national defence.

This matter has dragged on for more than eight months. The last correspondence I had was a letter from the Minister of Labour dated April 24, in which he says he is sending a special officer in to investigate the situation,—

Mr. RALSTON: What is the date of that?

Mr. NOSEWORTHY: —and was to let me have a reply immediately. That is more than a month ago, and still these men are waiting for their seven days pay. Has the minister any information on this matter?

Mr. RALSTON: Perhaps my hon. friend wrote me about it. I had forgotten about it until I asked my officers here. They tell me that the facts are as my hon. friend has stated, namely that these men were discharged without the seven days' notice and it was claimed that seven days' notice should be given. Apparently there has been some ruling by national selective service. Remarkably enough, the assistant deputy minister tells me that we cabled London for a telegraphic report which ought to be in to-day. That is to say, we did not want to deal with the matter until we had communicated with London to find out if the district officer commanding had any comments. I take it that the matter will be dealt with promptly, as soon as the report is received.

Mr. DIEFENBAKER: There are a few questions I should like to ask in reference to this item. I think the discussion which has taken place so far indicates how impossible it is for the member of this house properly to check expenditure. The minister answered a while ago that to break down this item of $108 millions would be impossible because of the expenditures which are being made overseas.

Mr. RALSTON: Oh, no. I gave all the subjects. I did not give the amounts, that is all.

Mr. DIEFENBAKER: I understand the amounts were given.

Mr. RALSTON: I gave the items.

Mr. DIEFENBAKER: But there is no break-down as to the items.

Mr. RALSTON: Oh, yes. I gave a long list of items.

Mr. DIEFENBAKER: Not the necessary particulars.

Mr. RALSTON: Yes. I did not give the places.

Mr. DIEFENBAKER: No, I understand. That is just a break-down in amounts; that $108 millions is being broken down in the following particulars—

Mr. RALSTON: That is right.

Mr. DIEFENBAKER: —but no opportunity comes thereby to make any close examination.

Mr. RALSTON: Well now, wait. Let us get off on an even keel. For instance, coast defence was one of the items. My hon. friend does not expect me and will not ask me to give the places where coast defence expenditures are being made and how much they are.

Mr. DIEFENBAKER: That is true; coast defence, so many million dollars.

Mr. RALSTON: Well, does my hon. friend expect me to give the committee all the particulars?

Mr. DIEFENBAKER: No.

Mr. RALSTON: I thought not.

Mr. DIEFENBAKER: But I am just indicating how utterly fruitless it is to try to make any check of expenditures which have been or

are being made, when all we have is information that so much is going to be expended. I am not arguing on the propriety of not giving full details. But I do think we are entitled to more information than we actually receive under this item. We should have some information as to what camps in Canada are to receive expenditures this year, and in what amounts. Are any new camps or military establishments to be built or set up? And, just in that connection, are any further military sites to be secured and established?

In that connection would the minister explain the circumstances connected with the choice of Debert military camp, in Nova Scotia. No one objects to Nova Scotia receiving a military establishment; its closeness to the sea necessitated the establishment of a camp there. But if ever there was a camp chosen anywhere in Canada which was little short of disgraceful in its early stages in so far as the men are concerned who were required to live in that camp, it is Debert.

Mr. RALSTON: I do not know what my hon. friend means. If he wants to particularize, all right, but he should not make a general statement of that kind.

Mr. DIEFENBAKER: I will particularize.

Mr. RALSTON: Debert camp has certainly filled a marvellous place in the defence plans of Canada.

Mr. DIEFENBAKER: Yes, but I want to know why this particular place was chosen.

Mr. RALSTON: I will tell my hon. friend.

Mr. DIEFENBAKER: All right; that is what I am asking for. The minister is rather touchy on some of these things.

Mr. RALSTON: When my hon. friend uses the expression "little short of disgraceful" in connection with the camp, I suggest he is exaggerating a little.

Mr. DIEFENBAKER: I say that the conditions in which some of these men were placed were just that. In the spring of 1941 the camp was almost inundated. With all the available sites in Nova Scotia, the expenditures made on that camp in order to drain it are difficult to understand or to justify. I realize that further figures are available; up to February 26, 1941, the cost of draining that camp was $236,127.

Mr. RALSTON: That is not excessive.

Mr. DIEFENBAKER: I should like to ascertain from the minister what has been the expenditure for drainage since, that is in the past two years. That is a tremendous amount to expend just for drainage and getting the camp ready.

Mr. RALSTON: Does my hon. friend know the size of the camp?

Mr. DIEFENBAKER: I criticize the choice of that particular location.

Mr. RALSTON: I say, does he know the size of the camp?

Mr. DIEFENBAKER: It is five thousand and some acres: 5,028 acres were to be acquired, according to the figures I have. I should like to know why a location was chosen for a camp that required an expenditure of almost a quarter of a million dollars for drainage when so many other alternative choices were available. I realize that at the outbreak of war, in the desire to secure immediate action, in the rush to establish camps and get operations under way, inevitably some choices might be made which would not be the best possible. But I should like to know who recommended the choice of this site, and who recommends the choice of sites to-day. After a choice has been made by the military authorities, is that choice confirmed by the minister? Generally, I think, we should have a statement regarding the establishment of these camps and the choice of sites.

Mr. RALSTON: I cannot at the moment throw my mind back to all the circumstances. Debert camp has been mentioned several times. The hon. member for York-Sunbury (Mr. Hanson) seems to have a scunner against the camp for some reason. On one occasion when he talked about its being low, I pointed out that according to the contours it was higher than Sussex camp, which is in his own province, and so far as I can remember I have never heard any complaint about that.

Debert camp was chosen at a time when we needed a large camp for the concentration of troops down on the east coast. We needed it for tactical reasons. Debert was located, I think, by the engineers of the department and the engineers of the military district, as it was then,—the Atlantic command was not then formed. It was located and selected on the ground, first, of its tactical location. That is to say, it was near the railways. At the same time it was far enough back to provide for the reserve of troops which could be disposed of by moving over to Pictou and the short line towards Cape Breton—because it was within six miles of Truro, which is a junction

point—moving into Halifax over the main line there, or moving down the valley over the Midland railway which connects with the Dominion Atlantic railway at Windsor: It was right at that junction point; and further, it was just about the right distance from Halifax and these coastal towns to be effective as a reserve camp. Further, it was directly beside a large airport which, as I recall, was a Royal Air Force airport at that time, although I am not quite sure about that; but Debert had been chosen, and the airport was either completed or well on the way to completion. Those, I would say, were the two main reasons, along with a third, that it was well located beside a good town, the town of Truro, where men could have a reasonable opportunity for diversion and recreation. I would say those were the three outstanding considerations which influenced the decision to select Debert camp.

My hon. friend speaks of the disgraceful condition. I think he must have in mind the idea that the land is low lying. He speaks of the cost of drainage. As a matter of fact, he is speaking about a camp which is nearly nine square miles, and if that area were to be drained all over it would cost a good deal of money. I only hope that the drainage has been effective. I was down there in the early days when Debert was just being cut out, and I shall never cease to admire the Regina Rifles who were there at the time pulling stumps out of the parade ground. They were helping in every possible way to get things into shape. They were doing a splendid job under conditions which were and which could not but be primitive at that time. The engineers themselves were practically the last to get into quarters of their own, for they were engaged in getting quarters for everyone else ready first. Nothing has been brought to my attention which indicates that Debert camp is in any condition that might be described as disgraceful. I think I would have heard about any such condition; it would have been brought to my attention when I was down there.

Mr. DIEFENBAKER: What has been the cost of drainage since 1941?

Mr. RALSTON: There were no major expenditures last year.

Mr. DIEFENBAKER: What was the expenditure?

Mr. RALSTON: There are nine miles of paved roads in the camp and a hard-surface parade ground. I consider that absolutely essential for any camp of that size, whether on the top of a hill or elsewhere. I consulted with the camp engineer and the engineer of the Atlantic command, and I may say that the parade ground is about completed now. I am disappointed that my hon. friend should speak as he does about Debert camp, because I know of some people who have come from the United States, having visited the camp, and who were considerably impressed by it. They were people who knew something about camps and about construction and they wrote me a very complimentary letter with regard to the camp. My hon. friend will probably say that this was during the summer. As a matter of fact, I do not remember when it was. I think the hon. member has been misinformed to some extent when he speaks about disgraceful conditions. The camp has served a most useful purpose and has been one of our most efficient and effective camps in Canada.

Mr. ADAMSON: What about Camp Borden?

Mr. RALSTON: The amount expended is about $2,000,000, including the construction at Meaford tank range.

Mr. ADAMSON: Is that the last fiscal year?

Mr. RALSTON: Yes.

Mr. ADAMSON: The minister mentioned construction overseas. This item includes rentals in Canada. Does it include such items as the rental of headquarters buildings and billeting expenses in England?

Mr. RALSTON: I am not sure about the last point. It includes rental of buildings, but I am not sure about billeting expenses, because there has been a discussion about the per capita rate. In connection with some troops the capitation rate, as it is called, applies with regard to billets as well as certain other personal items.

Mr. ADAMSON: But it would include, shall we say, corps headquarters?

Mr. RALSTON: Yes, I am so advised.

Mr. ADAMSON: One other question. When the department rents a building, does it employ an agency or does it do this work itself?

Mr. RALSTON: It does the work itself.

Mr. ADAMSON: It is its own agent?

Mr. RALSTON: Yes. You will see orders in council passed from time to time appointing so and so at a rate of so much a day when employed in connection with this particular work. These men cover all parts of the country. From time to time, however, many men from real estate agencies give their services free in the matter of advising.

Mr. PERLEY: Coming back to the buildings in Saskatchewan I suggest to the minister

that there are many armouries in the towns throughout the province, particularly in the southeastern part, which could be made use of. At Indian Head there is a good building of which more use could be made. Some of these armouries could be used for the training of home guards and veteran guards. Last year they were all taken away from Indian Head where they had quite a good corps in 1940 and in the early part of 1941. I wish the minister would give some attention to this. I believe there are some buildings at Grenfell and Moosomin, and, as I say, there is a good one at Indian Head. Better use could be made of these armouries.

Mr. RALSTON: Is there one at Katepwa?

Mr. PERLEY: Maybe the Minister of Agriculture would look after that. There may be one at Melville. I am pleading for southeastern Saskatchewan, however. I find that there are ten buildings in Regina which the department has rented either in whole or in part. Can the minister give an estimate of what proportion of this item for rentals will be paid in the city of Regina and what has been spent in repairs or in changes in these buildings to meet accommodation? I understand that there have been many changes in the buildings rented. Who pays for that? Does the landlord or the department?

Mr. RALSTON: I cannot give now the amount in this vote for the rental of buildings in Regina. The assistant deputy minister refers me to a return which I presume is the one my hon. friend is dealing with, namely, a return to No. 178 of March 22. That gives a complete list of buildings rented and rentals paid. This is not a very definite answer, but all I can say is that there is included in this item the rental of all these buildings in so far as they are retained by the department. That is the most I can say.

Mr. PERLEY: Can the minister give the cost of repairs?

Mr. RALSTON: The cost of remodelling?

Mr. PERLEY: Yes.

Mr. RALSTON: I think I could get that for the hon. member.

Mr. DIEFENBAKER: I have not yet received an answer. Possibly the minister has not the information available as to expenditures for drainage and the like in 1942 and 1943.

Mr. RALSTON: At Debert?

Mr. DIEFENBAKER: Yes.

Mr. RALSTON: No, I have not the information available. My officer tells me that no major expenditure has been made for that purpose in 1942-43. By major he would mean anything above $5,000.

Mr. DIEFENBAKER: I think the minister missed what I had in mind. In the choice of sites for military camps consideration should be given to the securing of sites where the expenditure of amounts for irrigation and drainage totalling $230,000 would not be necessary. That is the point I am endeavouring to make. In 1940, when I was there, conditions were such as to be most discouraging to the men established in that camp. Who makes the choice of sites? Is the final determination that of the minister? What has been the total expenditure, to date on Debert camp? I refer to expenditures for the purchase of land, the installation of facilities, and the like.

Then as to another matter, which is possibly the antithesis of drainage, namely the securing of water for the various camps, if my recollection is correct, in 1940 and 1941 the services of a company with office in London, Ontario, known as the International Water Supply company, were utilized for the purpose of ascertaining information in connection with and securing supplies of water.

Mr. RALSTON: At Debert?

Mr. DIEFENBAKER: At all the camps across Canada. How much was disbursed to that company during each of the years 1940, 1941 and 1942?

Mr. RALSTON: One further word about Debert camp: my hon. friend says we should never have selected a site in connection with which $230,000 would have to be spent for drainage. I am quite satisfied that that figure includes expenditures for sewage and the other services necessary in a camp of that kind. I am satisfied it does not apply only to surface drainage, as perhaps would be indicated by my hon. friend's remarks. Even if $230,000 did have to be spent for drainage in a camp of that size, if it had all the other features about which I have spoken, and they could not be obtained elsewhere, there would be ample justification in making the expenditure where such facilities can be obtained.

Water is one commodity in point. The Debert camp is placed where we can get water, and I can assure the committee that it is not everywhere that one can find water in sufficient quantities to serve 12,000 to 15,000 men, in a camp area as small as that at Debert.

The choice of site, if I remember correctly, was based on the examination made by engineers in military district 6. They were the ones entrusted with the responsibility of making the preliminary survey in that district. The report—and when I say this I am only stating the practice—would be made in the usual course to the quartermaster-general. I have no doubt he would discuss the matter with the chief of the general staff, looking at it from the point of view of tactical position and the supplying of camp requirements. The matter would then go to the deputy minister, and then to the minister. That is the practice in connection with the choice of sites.

I remember filing a return last year which showed total expenditures at Debert amounting to something like $5,000,000. On that occasion I was replying to the hon. member for Cumberland. I have not the figures at the moment, but I shall get them.

I have not before me the information and figures respecting amounts paid to the International Water Supply company, but I will see that they are obtained.

Mr. HAZEN: Recently I have received several letters from subdivisions of the Catholic Women's League in my constituency, in which they set out a resolution forwarded to the minister. I have not a copy of the resolution before me but, if I remember correctly, it refers to the lack of accommodation for holding divine services in the different training camps. I presume this matter has been brought to the attention of the minister. Is it receiving his consideration?

The statement the minister has placed on *Hansard* sets out the estimated total amount of expenditures to the end of the last fiscal year for construction, purchase, repairs and operating expenses in connection with properties. The total amount is $75,861,194. Would the minister give a break-down of that amount by military districts?

Mr. RALSTON: I do not mind giving the figures to the hon. member, nor do I mind giving them to the committee. However, I should prefer not to have them on *Hansard*. The statement shows where the activities have been. As I pointed out the other day, the practice in the British House of Commons is to put in an estimate for £10, and set a day to discuss everything. They do not show where the expenditures are made. I will show the hon. member the break-down, if that is satisfactory.

[Mr. Ralston.]

Mr. HAZEN: That is the difficulty pointed out this afternoon by the hon. member for Lake Centre. It is almost impossible for the committee and the public to get at information—

Mr. RALSTON: Oh, I think it is.

Mr. HAZEN: —as to where a good deal of this money is spent. How many men can be trained at Debert training centre?

Mr. RALSTON: There is accommodation for 13,000, all ranks, and 150 Canadian Women's Army Corps. And there are at present under construction building lines to accommodate two units.

With regard to chapels, I would point out that the matter has had close attention. At present there are twenty-seven religious centres under construction. In all I anticipate there will be constructed something like forty-two across Canada. I should like to place on record the purpose of these chapels, because there was some discussion about them during the victory loan campaign. The statement I have before me is in these words:

The need of these buildings is summed up by the principal chaplains as follows:

"The general consensus of opinion of the principal chaplains and district chaplains in Canada and district officers commanding based upon the experience of the past three and a half years is that a building set apart solely for religious purposes is absolutely necessary in training centres and camps if the moral and religious needs of the men and women of the armed services are to be worthily met and if the chaplains are to carry out effectively their duty towards those for whose spiritual welfare they are responsible."

The general purpose of these buildings is that they be used as a religious centre not just on Sundays but for every day in the week. It will be a place where limited accommodation will be provided so that communion services can be held on Sundays and holy days and to permit of week-day services and special services and classes such as church membership and bible classes. These services and meetings will be simply for those who desire voluntarily to attend and are entirely apart from church parades which will be held as in the past in the open air during the summer and in the local churches during the winter.

The centre will also be a building where officers and men may come as they wish at any time when they are off duty for quiet and meditation. In the centre will be chaplains' rooms where members of the centre may feel free to come and talk with the chaplain on personal matters at any time they desire. In short it represents an exceedingly modest provision whereby there is maintained within the camp and as part of camp life an opportunity for the cultivation of spiritual and moral values along with the physical and intellectual development which is such a large part of camp activities. . . .

This matter has been most carefully considered by the department and by the govern-

ment in the light of the recommendations received from those who are responsible for the moral and spiritual welfare of the men and women of the army. The decision has not been made hastily but only after study over a considerable period with a view to appraising the needs and scrutinizing carefully the proposals involved with a view to achieving the most economical structure which would meet these needs. I cannot help but feel that the expenditure of a sum within the range of a modest amount such as the above as an aid to building character and fortifying morale is an investment well warranted both as an aid to success in the war and to the future of the nation in the hoped-for days of peace.

I am reading from a communication which I have sent to a number of people who have written me in connection with this matter. I thought it would be as well to place it on record so the committee might know the considerations which prompted the authorization of these religious centres.

Mr. QUELCH: Could the minister give us any information with regard to a defence project at Youngstown, Alberta; the purpose for which it is being constructed and its estimated cost?

Mr. DOUGLAS (Weyburn): Before the minister leaves the matter of chapels, did I understand him to say there were twenty-seven chapels to be built?

Mr. RALSTON: Twenty-seven under construction now.

Mr. DOUGLAS (Weyburn): With the fifteen already built that will make a total of forty-two?

Mr. RALSTON: No, it is the other way round. There are twenty-seven under construction now, but the total will be forty-two.

Mr. DOUGLAS (Weyburn): There are fifteen more to be built, and twenty-seven under construction?

Mr. RALSTON: Yes.

Mr. DOUGLAS (Weyburn): What is the seating capacity of each of these chapels?

Mr. RALSTON: About two hundred on the average, according to the deputy quartermaster-general.

Mr. HAZEN: The minister told me he would let me see a break-down of the expenditures last year for buildings and so on. Will he let me see that now or will he send me a copy?

Mr. RALSTON: It is in this book, and I want the deputy quartermaster-general to have this book here in case there are other questions to be answered. If my hon. friend will come over here I will show it to him, and then if the book is required he can give it back to the deputy quartermaster-general.

Mr. GREEN: How much of this item is to be spent on hospitals, first of all by way of capital expenditure, and second for repairs, operating expenses and rentals?

Mr. RALSTON: I cannot tell my hon. friend in regard to repairs, but there is less than $2,000,000 in capital construction in regard to hospitals.

Mr. GREEN: What is the policy of the government with regard to the construction of military hospitals? There have been complaints that the government builds military hospitals where it would be far better to construct additions to civilian hospitals. In most cases these military hospitals will not be needed after the war, whereas if an addition were put on a civilian hospital, that addition would be very useful to the people of the area after the war. It does seem to me that the government should very carefully consider whether or not it would be better to construct additions to civilian hospitals. That question came up at Victoria. I do not know the facts of the case personally, but newspaper articles have stated that the government decided to build its own hospital at a cost of about a million dollars, whereas an addition could have been made to the Jubilee hospital at a cost of $250,000, just one-quarter as much. Then this article goes on to point out that after the war this wing would be badly needed by Jubilee hospital. Could the minister tell us what is the policy with regard to these hospitals?

Mr. RALSTON: The policy in regard to hospitals must be determined by the particular circumstances. Obviously there is no opportunity to add to a hospital in the case of a camp which is isolated from any existing hospitals. There are a few cases, only a few —as a matter of fact I remember only one in connection with the army, and that was at Prince Rupert—where authorization may be given for the construction of an addition to an existing hospital. As the hon. member knows, this whole matter of hospitals now has been put in excellent shape, as far as preventing overlapping is concerned, with the creation of the interdepartmental hospitalization board which I think was the subject of discussion before the war expenditures committee last year. A civilian administrative member has been added to this board, at the instance of the war expenditures committee, and to it also has been added a hospital expert

in the person of Doctor George Stephens, formerly of Winnipeg. Treasury board will not give approval to the construction of a hospital without the approval of that committee. The committee meets whenever the need for hospital accommodation arises in a particular centre. It considers what the navy has there, what the army has there, what the air force has there, what pensions and national health have there and also what civilian facilities exist. In the light of those circumstances it decides the most economical and soundest method of procedure. The idea of building on to an existing hospital is attractive from some points of view. Economically, so far as immediate expenditure is concerned, it is not sound, because the cost per bed is very much higher than the cost of constructing an ordinary hospital. There is also the fact that it is highly desirable that service personnel have an opportunity, as part of their training, to treat and serve the service personnel in the hospital. I know of one case down at Gaspe where we rent a floor of the hospital. There the service doctors, the army, navy and air doctors, the orderlies and everyone connected with the service medical units, have the opportunity of dealing with their own patients; it is simply a wing or floor of the civilian hospital. When that opportunity presents itself we are glad to take advantage of it, but I think we can say that this matter of hospitals has had a thorough going over, and I believe the committee can be well assured that during the past year there has been little duplication in regard to hospital accommodation.

Mr. GREEN: I realize that there would be difficulties in administering an addition to a civilian hospital, but does not the minister think that in the long run it would be far cheaper, far more efficient and far more beneficial to the Canadian people for the department to build additions, wherever that is reasonably possible, instead of setting up its own military hospitals?

Mr. RALSTON: My hon. friend quite properly puts in the provision, "where it is reasonably possible or practicable," because each case is different. I remember one case where the training centre was two miles away from the hospital in town. It was suggested that we should build an addition to that hospital. This would have meant the continual use of gasoline, tires and oil running back and forth all the time to this hospital, instead of having perhaps a ten-bed hospital right on the premises; therefore we decided not to do it. There might be another case, such as Gaspe, where it would be possible. I am not sure whether it is a success, and I say that because I am in absolute ignorance as to just how we are getting along with it. However, I think it can be said that it is sound in the interests of everybody concerned and having regard to post-war as well as emergency needs.

Mr. GREEN: Why was an addition not built at Victoria?

Mr. RALSTON: The deputy quartermaster-general is giving me this information from memory, but he tells me that his recollection is that we took over the normal school at Victoria. We spent about $75,000 and provided in effect a 200-bed hospital. To have provided the same facilities in any other way would have cost between $400,000 and $500,000. It is a permanent building which can be used after the war.

Mr. QUELCH: Perhaps the minister would answer my question. I was at Hanna last fall and I visited the office of the special areas board and was shown on a map the area which had been taken over by the defence department. This consisted of several townships from which the farmers had been moved but the chairman of the board did not seem to know for what purpose this land was being acquired.

Mr. RALSTON: I may say to my hon. friend that I cannot tell him.

Mr. QUELCH: Perhaps the Minister of Munitions and Supply will know that.

Mr. RALSTON: I have sent out a note to find out if we have anything on it.

Mr. GLADSTONE: Is consideration being given to the building of chapels at the army camps? There is a rumour to this effect, and I do not know whether it applies to the army or the air force.

Mr. RALSTON: That is what I was speaking about, but I called them religious centres because they are used not only as chapels but as places where the men can go to discuss their private affairs with the chaplains. The list I have before me shows that none of these chapels has cost more than $10,000, and they go down as low as $7,550.

Mr. DOUGLAS (Weyburn): What is the total amount that will be spent on the forty-two chapels? Will any camps be without chapels? Will the chapels to be provided be Roman Catholic or Protestant, depending upon the church affiliation of the chaplain?

Mr. RALSTON: The total amount of the contracts let for the twenty-seven chapels is

$227,000. The chapels can be thrown open or can be used for the religious service of either denomination. When they are not being used for that purpose, there are private rooms where the chaplains may meet their parishioners. Religious centres are being built in all camps where a request has been made by the principal chaplain.

Item agreed to.

The CHAIRMAN: The next item is No. 5, personnel supplies and services; food, medical and dental stores, clothing and personal equipment, $185,868,300.

Mr. GREEN: About two months ago an announcement was made in the press that the army intended to reclaim thousands of men by curing physical defects. As I understood it, men who were not eligible for enlistment in the army would be taken in and given an operation or other necessary treatment in order to bring them up to the category which would permit them to serve. Has any progress been made with this plan?

Mr. RALSTON: It would be difficult to give any statistics with regard to the army. As I remember it, the plan was that a man who volunteered and required remedial treatment would be sent to the Department of Pensions and National Health under a certain scheme of pay if he were a serious case. If he were a less serious case, if he had some disability which could be readily cured, he would be enlisted in the army and treated by the army. I cannot give my hon. friend any statistics about those who came into the army, but I think any that were taken in would be taken in only on the sound judgment of the medical officers. I am advised that in connection with the Department of Pensions and National Health perhaps a few hundred have taken advantage of the provisions. These were mainly operative cases.

Mr. GREEN: Are the men enlisted before they get treatment?

Mr. RALSTON: Not the serious cases; they go to the Department of Pensions and National Health.

Mr. GREEN: How do they get back to the army?

Mr. RALSTON: They are discharged to the army.

Mr. GREEN: Are they attested before they go to the hospital?

Mr. RALSTON: No. We do not enlist the men that go to the Department of Pensions and National Health. They volunteer for the operation or other treatment and then come back to the army.

Mr. GREEN: Is that not the old scheme? I was referring to a new scheme that had been announced.

Mr. RALSTON: I do not know what my hon. friend is referring to.

Mr. GREEN: The scheme announced in March of this year was that a man would be enlisted and then receive treatment; the scheme the minister speaks of is one which has been in force for a considerable time. Under that scheme a man went voluntarily and took treatment and then when he was cured he enlisted or not as he chose. I should like to know what steps have been taken under the new plan.

The CHAIRMAN: I do not know whether these questions would come under the item which covers personnel supplies and services; food, medical and dental stores. It is for the committee to decide.

Mr. GREEN: I think they would come under medical stores.

Mr. RALSTON: I think I indicated that medical matters could be discussed under this item.

Mr. GREEN: Can the minister give us any information about this scheme?

Mr. RALSTON: I am sorry, but I cannot. I have just sent for the information. I do not know of any change under which we enlist a man in the army when it is not almost certain that he will react successfully to remedial treatment. I am bound to say that my hon. friend has caught me off base when he refers to a report in March to the effect that some change has been made. I shall have the information very soon.

Mr. GREEN: I will send over the clipping.

Mr. GRAYDON: I should like to ask a question with regard to the clothing allowance, which I think would be within the purview of this particular item. General order 139 was issued by the army and under it a number of personnel were called up for service, many of whom were veterans of the last war. These men were taken into the administrative and training staffs at the basic training and other centres in Canada. Some of these men have been discharged for various reasons. Under the ordinary discharge arrangements, when a man leaves the army he is given a clothing allowance or the equivalent in clothing. I have had complaints from time to time from men discharged from the basic training centres who

come within the category under general order 139, and I would ask the minister why a distinction is made in their case. Why are they not treated in the usual way upon discharge? These men are not given any clothing allowance. In every other respect these men are treated the same as those who receive a clothing allowance on discharge. The difference in treatment has caused considerable difficulty and some unrest. Would the minister explain, first, why the clothing allowance is not given to men in this category when it is given to men who are discharged in the ordinary way, and second, if the facts are as I have given them, and I think they are, will the minister give consideration to allowing a clothing allowance to the men who come within this category?

Mr. RALSTON: On the first point I say frankly that I cannot give my hon. friend the reason. These pay and allowance regulations are fearfully and wonderfully made. But they are the result of a good deal of thought and consideration by those who took the merits pretty well into consideration. I remember the pay and allowance regulations being reviewed prior to 1939 by a responsible body of men, and they were not men in the army alone. As a result these regulations were evolved. That does not say they are like the laws of the Medes and Persians, because they have frequently been amended since. But I shall certainly look into the matter. As I remember it, the clothing allowance is granted after six months' service. But I will see what the reasons are and whether any changes can be made.

Mr. GRAYDON: I would ask the minister to do that if he would, because the men I have in mind had all served for six months, which is the period the minister mentioned. I should be glad if he would give this matter his earnest consideration with a view to seeing whether some change should be made.

Mr. DOUGLAS (Weyburn): This item deals with stores, clothing and personal equipment. In the early stages of the war the army was at somewhat of a disadvantage because it was felt that the uniform was not as attractive or glamorous as uniforms in some of the other services. The minister is to be congratulated upon having issued to the army the walking-out uniform, which has done a great deal to improve the morale of the men. I believe in giving credit where credit is due, and I wish to say that whoever was responsible for designing the Canadian Women's Army Corps uniform is to be congratulated because it is by far the smartest uniform in all the women's services.

Mr. JACKMAN: That is a matter of opinion.

Mr. DOUGLAS (Weyburn): I think it is generally accepted by everyone that the Canadian Women's Army Corps uniform is by far the smartest of all.

Mr. REID: The air force pipe band's is not bad.

Mr. DOUGLAS (Weyburn): I am speaking only of uniforms.

Mr. REID: That is a uniform. Don't be insulting.

Mr. DOUGLAS (Weyburn): May I ask the minister whether the Canadian army has decided to use the bowler type of tin hat? I understand that in Britain the British government have decided to adopt or at least are giving consideration to adopting a steel helmet similar to that used by United States troops, on the ground that it gives better protection to the back of the head and around the ears. Has the Canadian army given consideration to that, and if so, has any decision been reached?

The other question I wanted to ask was with reference to revolvers which I understand are now issued to all non-commissioned officers, to No. 1 man on the Bren gun, and to commissioned officers. I have been told that the Canadian army along with the other forces of the British commonwealth is the only one that uses the single-action revolver; that all the other armies use the automatic revolver. I tried to ascertain the reason, and the statement was made that there is greater accuracy and less waste of ammunition with the single-action revolver. But that does not look like a very good argument because, if the automatic, even if it wasted ammunition, saved a man's life, it would be well worth it. Has consideration been given to issuing the automatic revolver instead of the single-action type? If not, what is the reason for continuing to use the single-action revolver?

Mr. RALSTON: First, with regard to the bowler type of tin hat, the revised or United States pattern, extensive study and actual tests have been made of an improved pattern both in the United Kingdom and by the Canadian army. Exactly the same consideration will be given here that is being given in Great Britain. We are just waiting for a report on tests that are being made of certain modifications, having regard to providing a

helmet that will give not only greater security but further facilities for use, particularly by signallers and services of that kind.

Mr. DOUGLAS (Weyburn): No decision has been reached?

Mr. RALSTON: No. With regard to the revolver I can only say to my hon. friend that the possibility of improvement of weapons is always under consideration, and that supply has something to do with the matter. I can go no farther than that at the moment.

Mr. GRAYDON: I think in connection with all these items we should be given a break-down of the expenditures which are bulked here under several heads. Item No. 5, for instance, covers expenditures under personnel supplies and services; food, medical and dental stores, clothing and personal equipment; total $185,868,300. I should like to have a break-down, showing the expenditures under personnel, supplies and services, and so forth, if the minister has that information available. If it is not available at the moment, perhaps the minister will put it on *Hansard*.

Mr. RALSTON: I can give it now roughly. Personnel supplies and services, $107,000,000; food, $60,000,000; medical and dental stores, $19,000,000.

Mr. GREEN: Why is there an increase of $40,000,000 in this item?

Mr. RALSTON: The increases are to provide for an increase in personnel over the average of last year and to provide for a higher cost of issue of rations, not only of rations, but some other supplies as well.

Mr. GREEN: What is the average cost per man in the army for a year for food and clothing and various other supplies?

Mr. RALSTON: My hon. friend understands that there are two or three divisions. Take clothing: what they call the vocabulary, as made up here, comes to roughly $85 for clothing and all personal outfitting. That does not include rifles or any equipment of that kind. In addition to that, for certain parts of Canada and for Newfoundland there is an addition of about $25.

Mr. GREEN: For clothing, et cetera?

Mr. RALSTON: Yes.

Mr. GREEN: That is, per year?

Mr. RALSTON: No. That is the initial outfit. The total cost would depend upon how often it is renewed.

Mr. GREEN: Has the minister the figures for cost of food per year per man?

Mr. RALSTON: No; I have not the cost of food.

Mr. GREEN: Could the minister get that?

Mr. RALSTON: I do not know whether I can or not. I will see if I can.

Mr. NOSEWORTHY: Could the minister give us information regarding the regulations for issuing uniforms overseas? I have been informed that a number of men overseas are still wearing the uniforms they were issued three years ago. Some of them report that theirs have become so threadbare they are ashamed to wear them. I wonder if that can be possible.

Mr. RALSTON: Of course I would say at first blush that it could not be possible, but I have learned enough on this job not to be surprised at anything, and I am very careful about making statements of that kind. Certainly, if the fact is as stated, there must be some most extraordinary situation in connection with it. I know that the supply of clothing is ample.

Mr. NOSEWORTHY: How frequently are uniforms issued?

Mr. RALSTON: There is no particular time. Uniforms are issued when a new issue is regarded as being required. The man gets the new issue and his part-worn one is worn as a second. My hon. friend, I suppose, does not want to give me the name of his correspondent, or the boy will be regarded as complaining; but would he give me the unit?

Mr. NOSEWORTHY: Yes; I can give the minister the name.

Mr. RALSTON: Could he give me the unit?

Mr. NOSEWORTHY: Yes. I have the letter.

Mr. RALSTON: I would appreciate it.

Mr. NOSEWORTHY: I have the letter which came from the soldier overseas. He makes the statement that he has been unable to get a new uniform since he got over, and the uniform he is wearing is out at the elbows and out at the knees.

Mr. RALSTON: I may say that the estimate for clothing this year is down from last year, on account of the fact that we have a bigger reserve on hand; so that the two things do not jibe.

Mr. GRAYDON: In this item there is a substantial amount set aside for the food requirements of the army. Would the minister give us some general statement as to the catering arrangements with respect to the army, whether catering is handled locally, whether it is done in a general way by some central arrangement, or how it is dealt with?

Mr. RALSTON: I am afraid there will be some hiatuses in my recital. The food is requisitioned by the district officers commanding the particular camps for which it is required. These requisitions come in here and are gone over at national defence headquarters, and what we call a contract demand is signed and sent over to the Department of Munitions and Supply. Munitions and supply put these demands together, not only for the army but also for the naval and air services, and purchase in quantities goods for delivery at certain points, at certain supply depots. The supply depots, of course, are all known to the supply authorities. There are supply depots in the districts, and in turn in the camps those supply depots are provided from the central depots. Sometimes all in-shipments are made direct to the supply depots and not to the district at all, and we have a supply officer there who issues to the units on the basis of the parade state the rations required for the particular day. If a unit is isolated, it probably has some storage facilities, so that it may have rations for two or three days in reserve.

From then on, the rations, of course, go to the unit quartermaster and from him to the sergeant cook, and by the sergeant cook are prepared for the men.

Speaking of the messing, I believe it has improved greatly. These are days of specialization. As the committee knows, we have a messing officer, Colonel R. H. Webb, who has been in charge of that matter. He has succeeded in impressing us with the fact that his branch is important, and the result has been that we have appointed messing officers in the various districts whose job it is to see to it not only that the food is provided but that it is put up in proper shape.

I would think that one of the chief arguments among these messing experts in reference to the preparation and serving of food is whether or not the so-called orderly system or the cafeteria system is to be used. I have heard both views expressed in camps; I myself am not in a position to express an opinion.

[Mr. Ralston.]

A good deal has been said about waste in camps. As is known, one of the jobs of the messing officers is to see to it that every possible care is taken to use all usable food. Contracts are made for garbage, and what cannot be used in any way is destroyed in the incinerators.

That is a very rough and ready survey of the food situation, but it begins with the requisition and ends up with the men at the table.

Mr. PERLEY: As regards a camp like Dundurn, would a contract for beef be let by the year?

Mr. RALSTON: It might not be. It might be a contract let by the Department of Munitions and Supply to the supplier for a supply of so much beef to the camps in a certain area. Then the Department of Munitions and Supply would direct that so many hundredweight of beef be sent each day to Dundurn; or it might be supplied direct to Regina and forwarded from there. But I would think Dundurn would be supplied direct by the contractor.

Mr. GRAYDON: Of course, contracts for supplies of food are wholly in the purview of the Department of Munitions and Supply.

Mr. RALSTON: Yes, and they are generally made on a three months' basis, or something like that.

Mr. ADAMSON: Since the director-general of medical services is here, could the minister give us the figures for rejects in the army? I know these have already been given, but can they be broken down into causes of rejection, whether rejected for pulmonary reasons, skin disease, heart trouble, rupture, flat feet, mental causes, or for whatever reason? I know all that information is available, and I believe it would be of interest to the committee to have it.

Mr. RALSTON: I do not want to have my hon. friend get us off on that if I can avoid it. I have a proposition to make to the committee with regard to general matters of that kind. I suggest with deference that the inquiry does not come quite within the purview of this item, but if my hon. friend thinks it does, I will stop.

Several questions have been asked, the answers to which I have not brought down yet, on items which we have passed. I suggest that in connection with the item for departmental administration we deal with any matters of that kind if they are not within the item we are discussing and if there is something about which questions have been asked. I do not

want my hon. friend to open up the general departmental administration to have a free-for-all talk about the department again, except in so far as the discussion may be relevant to that item. It has been suggested that hon. members might ask certain questions if they do not insist on answers at the time.

Mr. GRAYDON: The minister may be inviting the very thing he is trying to avoid. Under medical and dental stores, I cannot see very much reason why the hon. member might not be permitted to ask about the health of troops.

Mr. RALSTON: Probably it would be better and would help to keep us closer to the subject if we did that. I should prefer to consider it as part of this item. I have not the record before me. The other night I gave an indication of the large percentage of rejects which has taken place. I believe the rejects are in the vicinity of fifty per cent at the present time, and I may observe that this was under consideration in connection with the Pulhems system. Was my hon. friend asking about the break-down?

Mr. ADAMSON: Yes.

Mr. RALSTON: This is only approximate. It may change as the system gets into effect, and there may be some difference between those called under the National Resources Mobilization Act and the volunteers, because the volunteers are in a wider range of age class than those under the National Resources Mobilization Act. Roughly, however, the rejections are of the order of thirty-five per cent on medical grounds and fifteen per cent on nervous and mental grounds.

Mr. ADAMSON: Thirty-five per cent of the total?

Mr. RALSTON: Of those examined, fifty per cent roughly are rejected, and thirty-five per cent of that fifty per cent are rejected on the ground of physical disability and about fifteen per cent on the ground of mental and nervous disorder.

Mr. ADAMSON: That is, of the total fifty per cent rejected, thirty-five per cent are on physical grounds and fifteen per cent on mental?

Mr. RALSTON: One hundred men come up and fifty are rejected. Of those fifty, thirty-five are rejected on physical grounds and fifteen on the ground of mental or nervous disability.

Mr. ADAMSON: That is what I am driving at. I think it would help the committee on social security and this committee as well, to get at the true state of the health of Canada at the present time if we knew how many were rejected for tubercular lesions, for example. These figures are available, because at the reception depots—this I know is the case at the depot in No. 2 district—at the end of a period the percentages are calculated from a daily tally. The information derived therefrom would be very useful for this committee.

Mr. RALSTON: This committee or another?

Mr. ADAMSON: It would be useful for this committee, and the other one could use it, too.

Mr. JACKMAN: Would the minister be good enough to say whether there is any co-ordination in the handling of food and the preparation and serving of it between the different armed services, particularly among the army, the air force and perhaps the navy? In connection with the messing officers, with regard to whom the minister mentioned Colonel Webb, are these qualified medical practitioners and nutritionists, or are they drawn from the quartermaster's department in accordance with the manner in which the army used to be fed in the old days? Does the army retain women in connection with the preparation of food or in connection with dietary matters as regards the feeding of the troops? I have heard it said that in one of the services the orderly officer, instead of going round to the mess halls and asking the men if they had complaints, usually receiving no response at all, as has always been the custom, is now required, during his day on duty, to take his meals with the men in order to find out for himself just what the condition of the food is. Would the minister be good enough the answer these questions?

There is another question I might ask at the same time. Is it true that the ration given to our men in Canada is greater than the ration which maintains the fighting strength of our own soldiers in Great Britain?

Mr. RALSTON: First, with regard to co-ordination, each of the armed services has its own plans for the serving of food.

Mr. JACKMAN: There is no coordination despite the tremendous amount of research work that has gone on in one or other of the services? I frequently hear—

Mr. RALSTON: Please let me finish. Each service has to do with the serving of its own food, but there is coordination in the nutrition committee. We have a joint nutrition com-

mittee dealing with all three services, headed by an eminent Toronto gentleman, a member of the faculty of the university of Toronto.

Mr. JACKMAN: How long has that joint committee been in operation?

Mr. RALSTON: A year anyway; perhaps longer than that. Each service has to do with the actual serving of its own food. What was the other question?

Mr. JACKMAN: Is there a uniform diet for the men in the army, and for the air force in Canada?

Mr. RALSTON: They have a uniform diet, but there are options on the diet. Some units may take a different option from others.

Mr. JACKMAN: With regard to the messing officers whom the minister mentioned, are these men qualified medical practitioners, or are they drawn from the quartermaster's department? Further, does the army employ women in connection with the preparation of food or as dietitians at the various army depots?

Mr. RALSTON: The messing officers are not medical officers, nor are they from the quartermaster's department. Generally, they are from the unit and are given special training as arranged by Colonel Webb and his messing branch. With regard to the preparation of food by women, in some camps women do prepare food and in others they do not. I have explained that the supply of C.W.A.C personnel is not great enough to supply all our needs in that respect. Generally speaking, women in hospitals do prepare the food and there are professional women dietitians as well.

Mr. JACKMAN: My other question is whether the food ration for our troops in Canada is greater than that sufficient adequately to maintain the fighting strength of our troops in Great Britain?

Mr. RALSTON: The ration overseas is the ration which conforms with British standards, and is regarded as quite adequate to maintain the fighting standards of troops overseas.

Mr. JACKMAN: Is the ration in Canada a greater or lesser amount?

Mr. RALSTON: As my hon. friend knows, I think the ration in Canada is greater in some instances.

Mr. McCANN: It would be too bad if the impression were to go out to the people of Canada that fifteen per cent of those whc come up for medical examination are rejected on the ground of mental and nervous conditions. I suggest that the implication and the significance of such a statement would cause a great deal of concern in the minds of our people. I suggest further that the minister use the term "emotional instability," which is used under the Pulhems system. This term conveys an entirely different impression from saying that these people are mentally unsound or suffering from a nervous condition.

Mr. RALSTON: I must say I never liked the term because "emotional instability" did not seem to convey anything. However, I certainly accept the correction, and shall be glad to use it.

Mr. McCANN: The other term is too strong.

Mr. RALSTON: If permitted, I would insert the term in the record, in place of the other one.

Mr. GRAYDON: It sounds like a legal term.

Mr. McCANN: That is one of the classifications under the new system.

Mr. RALSTON: As my hon. friend is aware, reference to a mental condition includes not only a nervous condition but also low mentality.

Mr. McCANN: On many occasions I have been asked about the number of men being returned from England, and why there are so many with a mental condition. The newspapers have stated on occasions that so many men have been returned on account of mental condition. Those men may be emotionally unstable, but that is an entirely different condition from what is implied in the general understanding of a mental condition.

Mr. RALSTON: We will use the term "emotional instability," then.

Mr. ROSS (Souris): We have been told the percentage of men rejected upon application for enlistment. Further, we are told there have been about 100,000 discharges from the army, of which number about 7,000 have been returned. Could the minister give the percentage of the 100,000 who have been discharged on account of either physical defects or emotional instability? I have always pointed out that this is a very large percentage of waste. The minister may be in a position to tell us the cause for this tremendous number of discharges of men who have had some training in the armed forces.

Mr. RALSTON: The director-general of medical services tells me that, to be entirely accurate in connection with cases of nervous or mental disability, one ought not to use the

classification I used, but rather one would refer to emotional instability and mental deficiency. There are two factors. There are not only the simple neurotic types represented by the term "emotional instability," but also those who are mentally deficient.

Mr. ADAMSON: And there are morons, as well.

Mr. RALSTON: The number of discharges, according to part 2, unit orders—and I have to put it in that way, because there is some difference between part 2, unit orders and the number of discharges actually recorded here in the records office—stands at 74,410, to April 30, 1943. Those medically unfit, including the mentally deficient and emotionally unstable—and they are classified together—number 54,044. That does not include personnel under the National Resources Mobilization Act. In the beginning the records office in charge of National Resources Mobilization Act personnel had a tremendous load placed upon them. They did not have time to make up the Hollerith cards. However, they have been catching up on the Hollerith system, and I believe within three or four weeks we shall have the full figures for personnel under the National Resources Mobilization Act. I refer to discharges particularly. They will be in addition to the number I have given.

Mr. ROSS (Souris): I should like to find out whether the great percentage of these people broke down in training, or whether the examination upon attestation had been insufficient. It seems to me that in a large percentage of cases some medical defect may have been missed, upon enlistment.

Mr. RALSTON: I believe I have given my hon. friend all the information I have. Of course I have not individual case histories.

Mr. ADAMSON: I disagree with the hon. member for Renfrew South. In my opinion the Canadian people should be shocked, and the more shocking we can do in respect of our mental attitude toward mental health in Canada, the sooner we are likely to improve it. According to the "Canada Year Book", numbers in our mental institutions are doubling every thirty years. That is a very serious condition, and the sooner the Dominion of Canada is shocked into doing something about the mental health of our people, the better it will be. I hope the figures we hope to get from the army will show the seriousness of the situation. That is why I raised the matter.

Mr. NOSEWORTHY: Under this item would the minister give an outline of the educational work being done among the soldiers? I am thinking of educational work apart from regular army training.

While I am on my feet I should like to compliment the minister and his department upon the magnificent job of educational work they are doing in the educational centre at North Bay. I have watched the progress of the work there, and I have been delighted to find the excellent job being done in that camp.

Mr. RALSTON: The hon. member was most generous in the letter he wrote me the other day in which he referred to his visit to North Bay. I appreciate what he has said.

The army has two educational centres, one at North Bay and the other at Joliette. These two centres handle men who are not mentally deficient or emotionally instable, but who have not had a fair chance in civil life and who, as a result, are simply illiterate. They are promising material, if given an opportunity to learn. We send them to these points. In this work we have been extremely fortunate in obtaining not only men of excellent experience as educationists, but men who have a sympathetic understanding of the situation, and who realize that they are salvaging an important asset not only for the army but for Canada. The men at these training centres, both Joliette and North Bay, get their basic training there instead of at an ordinary training centre, and at the same time they are given this educational training. I do not think that educational training is limited in the same way; that is to say, a man is not told that he must train for two months and that is all he gets. What we try to do is to train them sufficiently that they can be reasonably efficient soldiers; and of course it is a satisfaction to them, as it is to the teachers, to have them become more proficient in training which will help them in connection with their soldiering and also will enable them to write to the folks back home and let them know that some of the opportunities which hitherto they have been denied have finally come to them. It has been a great satisfaction. The number is not large, of course; North Bay, I think, would take about 750, and Joliette nearly the same number, but there is no doubt it is a worth-while investment and a worth-while effort, and I am sure it will yield good results to the army and to the country as well.

Mr. CASTLEDEN: What standard is used to decide whether or not a man is illiterate?

Mr. RALSTON: You mean before he goes to one of these camps?

Mr. CASTLEDEN: Yes. Is it the ability to read and write?

Mr. RALSTON: The army examiner at the depot, recruiting centre or induction centre examines the man and decides whether or not his mental capacity is such that he would be able to absorb training and give promise of becoming a useful soldier. If that is decided, the army examiner makes his report accordingly and the man goes to the centre, where the officer in charge has that knowledge of his qualifications and knows what he requires in the way of special attention. I am also reminded that not at North Bay, not at Joliette, but throughout the camps the directorate of army education which is under Colonel Kilpatrick, who is known to a great many hon. members, has the benefit of the help and co-operation of the Canadian Legion educational services, which, as hon. members know, has been operating in Canada and overseas ever since the beginning of the war. An attempt has been made to connect the legion services and those services which perhaps the army has more facilities to furnish, and put them together in the shape of something which would be useful primarily to make a man a better soldier—and I want to impress this upon the committee—because that is the army's job; but that effort cannot help but have its effect in fitting a man to be a better citizen as well. They are not given the frills or the embroidery; they are given good, sound education which will help them both in the army and in civilian life.

Mr. CASTLEDEN: Could the minister give the percentage of the men enlisting in Canada who are classed as illiterate?

Mr. RALSTON: I cannot give that at the moment, but I will see if I can get it.

Mr. GRAYDON: I should like to make one observation in respect of a matter which came up a few moments ago, as to the use of the medical term "emotional instability". It seems to me that in connection with those who return from overseas who may come within that classification we should give some consideration to the use of another expression, perhaps that which was suggested by the hon. member for Renfrew South. I think our men who come back suffering either temporarily or permanently from that condition should be regarded as war-shock casualties instead of being called "emotionally unstable" or considered to have some mental incapacity, because it seems to me there is a vast difference. I think we owe that much to the men who have gone through so much in the air, on land and at sea, and I should like to offer that suggestion to the minister. I believe some other term should be used in order to remove any vestige of stigma in that regard. I think the expression "war shock" would be proper and appropriate in that connection.

Mr. RALSTON: So far we have been using the term in connection with men who have been rejected, not in regard to men who have been discharged; I want to point that out.

Mr. ROSS (Souris): I should like to ask whether in the medical examination given to a person offering to enlist, a thorough examination is made for venereal disease and, if not, why it is not considered feasible to do so.

Mr. RALSTON: I have discussed this matter before the committee on previous occasions. As was indicated in a return brought down, the situation is that the Wassermann test is not administered at the time of enlistment. The committee will recognize, and we are so advised by the medical authorities, that this is not necessary; that is to say, a man does not need to have a negative Wassermann test to be qualified to be admitted to the army or any other of the armed services. The point is to discover his condition, if he should have a positive reaction, and to see that he is treated promptly. What the army has done is to arrange and put into effect a system whereby men will be given a Wassermann test as soon as possible after enlistment. I may say that positive reactions do not always indicate v.d.s. or v.d.g.; but those who have positive reactions are immediately put under observation, and if the disease exists, they are given prompt treatment. The principal physical equipment necessary in connection with the Wassermann test is the laboratory equipment; as my hon. friend knows, it simply consists of taking a sample of the blood, and the laboratory facilities are used to test the blood and keep proper records. Arrangements have, I think, been made with every province whereby provincial laboratories are to be placed at the disposal of the armed forces, and these facilities are being made available. I am hoping that by July of this year we shall have facilities throughout Canada for making between three and four hundred thousand tests a year. In that connection I just wish to say that some people have the idea there has been no Wassermann test in the army. There has not been a universal Wassermann test, but I am told there have been over 143,000 Wassermann tests made by the Department of Pensions and National Health as well as the army, probably during the last one and a half to two years.

Mr. ROSS (Souris): Then it is the intention to make these tests compulsory as soon as possible after a man has enlisted; is that it?

Mr. RALSTON: The order is out now making it compulsory for the medical officers to give the men the test. There is only one thing that is lacking, namely, laboratory facilities. They are available in quite a number of the provinces, and as fast as they become available generally the tests will be given. We shall be able to catch up with those who did not have the test promptly after they came in. We expect that by July 1, the machinery will be in operation over the dominion.

Mr. DOUGLAS (Weyburn): Will the minister tell us after recess how many men in Canada and how many men overseas have been tested up to date?

Mr. RALSTON: Yes; I shall have that.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. GREEN: Has the minister the information about reclaiming men who are unfit?

Mr. RALSTON: No.

The hon. member for Weyburn asked the numbers who had been given the Wassermann test in Canada and overseas to date. We have not the overseas figures, but in Canada over 143,000 were tested in 1942, and the approximate number to date this year is 75,000. The plan is that the facilities will be such that about 360,000 will have been tested during this year, beginning with June 1.

Mr. DOUGLAS (Weyburn): Are plans being made to give all the men overseas the Wassermann test also?

Mr. QUELCH: Has the minister obtained information regarding the Youngstown project?

Mr. RALSTON: I shall have to ask my hon. friend to give me more particulars about that. I intended to inquire, but was so crowded that I did not have time.

Mr. FRASER (Peterborough West): On May 13 I had on the order paper a question, which was passed as an order for a return, in regard to checking for venereal disease the men who had been enlisted into the army. I asked if they were checked. I also wish to know if those who were rejected for the army were also checked. The reason why I ask is that if those checked are given treatment and cured, they might make good material later on for the army. Since then, I notice that Lieutenant-Colonel Williams said at a meeting of the social security committee of this house that an army general order had gone out three weeks before to give routine blood tests for venereal disease to those enlisted in the army. Has that policy been started yet?

Mr. RALSTON: Yes. Perhaps my hon. friend was not here this afternoon.

Mr. FRASER (Peterborough West): I had to go out just before six o'clock.

Mr. RALSTON: That routine order has been issued. The principal necessity in connection with the Wassermann test is laboratory facilities. It is a blood test and the test has to be made in the laboratory. Arrangements have been made with all the provinces to supply their laboratory facilities, and by June 1—I said July this afternoon—it is expected that things will be in shape to start the tests immediately and to follow them through so that about 360,000 will have been tested when the year is over. There seems to be some misapprehension about the Wassermann test, and my hon. friend showed it in his question. Men are not generally rejected, as I understand it, because they happen to show a positive reaction; treatment, unless they are in a late stage, is efficacious and generally cures them. Therefore, men are taken in, not rejected on that account. The men who are so far gone, shall I say, as to be rejected go back into civil life. Was my hon. friend asking whether these cases were reported?

Mr. FRASER (Peterborough West): That is what I wished to find out, whether they are quarantined and reported, as I believe is done in the United States, given treatment and let go when cured.

Mr. RALSTON: They are all reported to the civilian authorities if they are rejected on that account.

Mr. FRASER (Peterborough West): The minister stated that the tests are to begin in June or July. I understand that practically all the training camps across Canada permit the men to go to the Red Cross blood-donor clinics and give their blood. When they go to these clinics they are given the Wassermann test. Does the army keep a check on these cases to see if they are O.K.?

Mr. RALSTON: The director-general of medical services advises me that we do get a check on that. When men who go from the army to these blood-donor clinics are found to have a Wassermann reaction, we get a report on them.

Mr. FRASER (Peterborough West): Does the women's army undergo the same check?

Mr. RALSTON: The intention is that they will be checked in the same way as the men.

Mr. DOUGLAS (Weyburn): Is it the intention of the department to give all the men overseas the Wassermann test? The reason why I ask is this. I notice that some writers in Great Britain have been expressing considerable alarm over the serious increase in venereal disease in Great Britain. Therefore I think it is important to know whether the department is planning to examine all the men now stationed in Great Britain. Can the minister also give us the number of men who have been discharged from the army on account of v.d.s. or v.d.g., and the number of men who have been treated and retained in the service as cured?

Mr. RALSTON: I am informed by the director-general of medical services that no instructions have been given overseas for giving everybody over there the Wassermann test; that is, men who have been in the army. The check is planned to be made upon reexamination or upon hospitalization. Hon. members will see that men who have been over there for a good while and are in healthy condition are not in quite the same position as the men in Canada. As a matter of fact, this whole movement, as my hon. friend knows, is not as active in the United Kingdom, even among the civilian authorities, as it is in Canada.

As to the number discharged, in a return to an order of the house dated March 24, 1943, order No. 41, it was asked: "How many have been discharged from all branches of the active service overseas up to December 1, 1942?" The answer was, "7,722." "What percentage of these were discharged because they were suffering from syphilis?" The answer was "·725 per cent, a total of 56 cases." Then, question No. 5, "How many of the armed forces serving in Canada only were discharged up to December 1, 1942?" Answer, "71,488." "What percentage of these were discharged because of syphilis?" Answer, "·505 per cent, or a total of 361 cases."

Mr. DOUGLAS (Weyburn): The minister was to give me the figures of how many men have been treated and cured.

Mr. RALSTON: We have not them right here. The director-general of medical services is endeavouring to see if he can get them.

[Mr. Ralston.]

Mr. DOUGLAS (Weyburn): It seems to me that some consideration ought to be given to the advisability of making the Wassermann test universal for Canadian troops now stationed in Great Britain. One of the British medical authorities made the statement in a periodical a few weeks ago that venereal disease in Great Britain had increased about forty per cent and that there was a great deal of alarm on that account. I would think that for the protection of the Canadian troops there should be periodic examinations. I know the laboratory facilities required would be very large, but it would seem to be possible to take men by units, by brigades or divisions, and have at least an annual Wassermann test for the protection of these men in order that proper treatment might be given before the infection had done serious damage.

Mr. RALSTON: I have made a note of what my hon. friend has said, and I will discuss it with the director-general of medical services. He tells me there is a periodic examination, but it is not a periodic Wassermann test, which of course is what my hon. friend is talking about.

Mr. McCANN: Is it the intention of the army medical authorities to have a blood-reaction test on discharge from the army or on demobilization? It would be a protection to the individual himself and also to the civil population, and it might provide information worth while in the event of a man being discharged and being a potential pensioner.

Mr. RALSTON: I have made a note also of that. The matter of a test on discharge as distinguished from a test during service has not been determined upon, but I will discuss it with the director-general of medical services.

Mr. FRASER (Peterborough West): Across Canada we have a number of wartime housing staff houses. Some of these have cost a great deal of money, and some at the present time are losing money. The staff house at Peterborough has about ninety men in it at the present time, and I understand the loss on these premises alone is over $5,000 a month. Has the minister considered using these staff houses for hospitals for the armed forces? They are extremely adaptable for that purpose, and could be turned into suitable hospitals at very little cost.

Mr. RALSTON: Of course, as my hon. friend understands, it depends upon the location of these staff houses. I will make inquiries. We do not want to build any hospitals if we can adapt to the purpose places which are already available. I take it that these houses are in industrial districts.

Mr. FRASER (Peterborough West): Yes, they all are in industrial towns. They are located right across Canada, at Sorel, St. Catharines, Peterborough, Hamilton, Fort William, Pictou, New Glasgow, Halifax, Amherst, Saint John, Prince Rupert, Vancouver, and Esquimalt.

Mr. McCANN: What amount of money does the department propose to spend this year with reference to additions to civilian hospitals throughout Canada to be used during the war period for the treatment of men in the service? I understand that as a matter of policy the government have adopted the plan of making grants to civilian hospitals. A case in point is the city of Ottawa, where an addition is being made to the Civic hospital. Is that general policy throughout the country and, if so, what amount does the government propose to spend within the next year for this purpose?

Mr. RALSTON: As I was explaining this afternoon, it cannot be said that there is a general policy of spending money for additions to civilian hospitals. Each case has to depend upon its merits and the circumstances. That is to say, in a city it may be quite possible to do that, and in camps, of course, it is impossible. There is not any specific amount which is set aside for that purpose, but each case will come before the interdepartmental committee, and if authority is given, of course the money will be available. There is sufficient money in this vote to take care of that situation.

Mr. McCANN: Has the government given any further consideration to the matter of amalgamating the medical services of the three departments? Two years ago, when the war appropriation estimates were up, I made some observations along this line. It is generally known that there is a very considerable shortage of medical personnel throughout the country, and the services of the medical profession have been given freely and generously from one end of Canada to the other. I have felt since the beginning of the war that it was a triplication of services to have a medical corps in the army, one for the air force, and a separate one for the navy. I have suggested before that we could have a distinctive Canadian medical corps; call it the Royal Canadian Medical Corps and give the members a distinctive uniform, and they could render service in any particular branch. After all, when men or women in the services are ill and go into hospital, there are very few problems peculiar to one branch of the service. I understand that in connection with the air force problems arise having to do with flying and with altitude, but they are not such as could not be easily handled by a medical board as one unit.

My reason for making the proposal is, partly on account of the enormous expense which is entailed to the country in having three services, but more particularly because there is throughout Canada a very serious shortage of medical men to take care of the civilian population. I know this matter is being studied and acted upon by the assignments and procurements board; steps are taken to keep available medical men, especially in rural and smaller communities, in order that these essential services to the civilian and the industrial populations may not be lessened and that there will be a reasonable amount of care in these particular localities. I believe, and I think it is the opinion of medical men throughout the country, that it is a waste of money, man-power and efficiency to have a triplication of services. I do not know personally, but I have been told that last year, on the Pacific coast, for 6,000 men in the naval service there were fifty-four doctors. That would work out at one doctor to 150 men, which of course is out of all proportion to the number who attend to the civilian population ordinarily. I submit to the minister that it is an unfair distribution of an essential service.

While I am on this point I wish to commend the minister for the tribute which he paid the other day to the medical men of this country. The derogatory and insulting remarks made by the hon. member for Temiscouata with reference to the medical men, that they represented the dregs of the professon, are absolutely untrue. It is false and is a gratuitous insult, and I hurl it back into the teeth of the man who made it. After all, the medical men in the armed services are but a cross-section of those who are in the profession in Canada. Let me say that the medical profession in this dominion stands as high as that profession does in any country in the world. That is generally conceded, and to have a member of this house hurl an insult at a dignified and worthy profession, a profession that gave freely of its services in the last war and is giving those services with equal liberality in this war, is not worthy of the man who made that statement.

I wish the minister would take into consideration what I am about to submit to him

The war may last for a couple of years longer, and although it would have been good business economically, from the point of view of saving man-power, to have had one medical board for the three services at the beginning of the war, it is not too late, because if the war drags on for another two or three years, not only the services of the armed forces but also the civilian services will suffer for lack of trained medical personnel.

Mr. RALSTON: I am glad that the hon. member has spoken as he has. I felt really that what I had said was inadequate to deal with the situation, on which I hold views as strongly as the hon. gentleman does. I may say to him that when I was speaking the other day of the members of the medical profession in the armed forces I intended to mention, and I should have mentioned, the cooperation which has been given by the medical profession generally to the armed forces, whether the members of the profession happen to be in uniform or not. Speaking as a member of another profession, I am sure that no profession could have given more wholeheartedly or more devotedly or effectually of their time and talents than the medical profession in Canada generally has done, and that has meant long hours of service contributed gratuitously in an endeavour to assist the armed forces and to help in the prosecution of the war.

The Canadian Medical association, including their French-speaking compatriots in the province of Quebec, have all united to see that everything possible was done in order to serve the armed forces and at the same time to endeavour to meet the needs of the civilian community; and men have worked early and late, committees of doctors in the various towns, at some disagreeable tasks in an effort to find men who could serve in each of these capacities.

In reference to the matter of scrambling of medical services in the armed forces, that is a subject which is being considered by the medical assignment and procurement board which has made a survey of all Canada in order to ascertain, first, the supply, and, second, the needs, not only of the armed services but of the civilian population as well. In their report I am sure they will be dealing with the question of the best use of medical man-power in the three armed services and also in the department of pensions, which is the other governmental service particularly concerned. What may be done in respect of that matter I cannot of course predict.

Members of the committee will recall that the unscrambling of the services came at a time when strong representations were made that there were differences in technique and in the manner of handling the various disabilities that arose as a result of the particular service in which a man happened to be engaged, and it was also at a time when medical man-power was not nearly as scarce as it is to-day. The assignment and procurement board has the matter fully under consideration, and the government will give every attention to it when the report is received.

Mr. GRAYDON: Perhaps it might be of interest to know, now that the three ministers are in the house, the distribution of medical men in the three services. How many are there in the army, how many in the air force and how many in the navy? That goes to the root of the question that has been raised.

Mr. MACDONALD (Kingston City): May I ask the hon. member for Renfrew South one question with regard to the figures he has given of the medical men on the Pacific coast. I understood him to say that there were fifty-four medical men in that area for a total force of 6,000. I wonder if he has checked those figures. My impression is that the number of doctors he has given is too high. It is about thirty, I think, but I cannot speak with assurance on the point.

Mr. McCANN: I have not made that statement from my own personal knowledge. I was told by a medical man in the service that as at November 1, 1942, these figures were correct, fifty-four doctors for 6,000 men in the naval services there. I am not making that statement critically, because it is only a maldistribution of man-power, and at the time it may well have been that men were congregated in British Columbia when the forces were there and more forces may have been expected. I can readily understand the difficulties which the minister and his advisers will have with reference to the distribution of medical personnel. You cannot just call up a doctor or procure one out of a mail order catalogue, and it may have been that the men were there prior to the time when the forces that it was expected would be there had arrived. I am quite sure that such a proportion may exist in other places and in other parts of the service, and in making the statement I do not intend to be critical. My only wish is that the men who are entitled to it shall receive the best service there is, but that at the same time other parts of the country, in civilian and industrial life, may also have a fair distribution.

Mr. MACDONALD (Kingston City): If there were such a number of doctors on the

Pacific coast at the time, a good many of them must have been there for training purposes, perhaps for only a few weeks or a month. I was there in late October, and my recollection is there were about thirty doctors at that time. Even some of those were doctors merely attached to the base for the necessary training and disciplinary course. I think the average number of doctors in the navy is something like four for every 1,000 men, or one for every 250 men.

Mr. McCANN: I suggest to the armed services that, if there is and continues to be a shortage of medical men, young men who are of age and practising medicine throughout Canada be inducted into the armed forces, and that it be unnecessary for them to take basic training. Let them return to their civilian practices, but be on call at any time at twenty-four or forty-eight hours' notice. I believe this suggestion would work out well. If the time comes when we have to send increased reinforcements overseas, and it becomes necessary to augment the numbers in the medical services, then in from forty-eight to seventy-two hours those men already inducted into the medical corps of the armed services could on short notice report for duty.

Mr. RALSTON: The leader of the opposition asked a question as to the number of doctors in the three services. As at April 30, 1943, my figures show: navy, 301; army, 2,135; air force, 683, making a total of 3,119. From July, 1942, to the present date the following have been assigned by the medical assignment and procurement board: for the navy, 100; for the army, 677; for the air force, 181.

Mr. FRASER (Peterborough West): At Camp Borden a clinic has been set up by chiropodists of Toronto. Have any other camps chiropodist clinics? Are any being taken in, and what training are they being given? I know of a number of men who, when on leave, in order to remain in the army, have gone to chiropodists, and have also bought special shoes or boots so as to participate in the marching.

Mr. RALSTON: I am told that the services of chiropodists are being utilized at many of the big camps. Camp Borden is the only camp at which a class is being carried on. As the hon. member knows, the Royal Canadian Army Medical corps training centre is at Borden, and that would be the natural place to train chiropodists.

Item agreed to.

On item 6—Signal and wireless equipment, line construction, et cetera, $27,826,751.

Mr. GREEN: How much of this is for installations overseas, and how much for Canada? Why should there be an increase of practically 100 per cent?

Mr. RALSTON: The amount shown as expended for 1942-43 is what was actually expended, under existing conditions. It was anticipated that a great deal more would have been expended but, in view of the comparative inactivity, it was not. The reason for the difference is the increased equipment and reserves, looking forward to the possible activity of this fiscal year.

Mr. GREEN: Is it practically all to be expended in Canada?

Mr. RALSTON: This money?

Mr. GREEN: Yes.

Mr. RALSTON: Canadian wireless, particularly, is really just coming into its own, so far as extensive production is concerned. In the past there has been a great deal of expenditure on wireless sets of the United Kingdom. We have developed two or three sets of our own which are particularly good, and of which we are rather proud; and there will be a very much larger proportion spent in Canada this year.

Mr. FRASER (Peterborough West): Does this take in teletype machines? I understand that up to a few months ago if repair work had to be done outside Ottawa, an Ottawa repairman did the work. At the same time there was a man in the services, stationed at Kingston, who, although a good repairman, was never used. The Ottawa man was always called in.

Mr. RALSTON: If that happened I think it was an instance of poor administration. The director of signals will make inquiry into the matter. Repair districts are set up throughout Canada, and of course there will be a distribution of workmen.

Item agreed to.

On item 7—Ammunition and bombs, $273,325,890.

Mr. DOUGLAS (Weyburn): Why is this item fifteen times greater than it was last year?

Mr. RALSTON: For the same reason I gave the hon. member for Vancouver South in connection with another item. This item, also, was much larger in last year's estimates than

subsequent activities warranted. The present item provides for full equipment and reserves for every gun and mortar the Canadian army or any of its formations will have for the whole year. That is the simple explanation of it.

Mr. FRASER (Peterborough West): Does the army buy from the Department of Munitions and Supply, or direct from the plants?

Mr. RALSTON: Sometimes. There is an arrangement with the British under which ammunition is bought by the British. Since it is anticipated we shall be serving with the British, when we serve with them we will be furnished by them with ammunition. It will be Canadian ammunition. But, as in the last war, it is based upon a capitation basis; that is to say, so much per gun. The rounds are not counted; it is just simply a service for the guns which is provided by the British.

Mr. MacINNIS: Formerly the arsenal at Quebec, and other Canadian arsenals were under the control of the Department of National Defence. Is that so to-day?

Mr. RALSTON: It is under the Department of Munitions and Supply.

Mr. MacINNIS: I shall not discuss the matter further, then, at the present time.

Item agreed to.

On item 8—Armament, including rifles, machine guns, mortars and guns of all descriptions, $123,070,907.

Mr. GRAYDON: Having in mind the matter of public security, can the minister make a statement as to the proportion of manufacturing in Canada of rifles, machine guns, mortars and guns of all descriptions?

Mr. RALSTON: About eighty-five per cent of small arms; that includes rifles, Bren guns and Stens.

Mr. GREEN: Have we not now reached the stage where our reserve army can be given complete equipment, including mechanical equipment? The minister praised the reserve army very highly the other day when he was making his statement, and I should like to join with him in paying tribute to them. They have done remarkably good work, but I think the time has come when they should get complete equipment, and I would ask the minister whether it is not possible for us to give them that equipment now. When the minister was speaking the other day he hinted that the reserve army were to be given additional responsibilities, particularly in the coastal areas, and he went on to say that this would apply especially to infantry and anti-tank units. Is the time coming when Canada will have to depend upon the reserve army for the defence of her shores? If that is the plan, I suggest that we cannot give them complete equipment too soon. I should like also to have the minister make a statement with regard to the equipment of the Pacific Coast Rangers, for example. I do not believe they have received full equipment yet, nor have they been issued uniforms. When can they expect to get this equipment and these uniforms?

Mr. RALSTON: I have not in mind exactly the scale of equipment of the Pacific Coast Rangers, but I will look into that. In reference to their uniforms, I have a definite recollection of having authorized a special water-repellent uniform for them, I think only the week before last. I believe two uniforms per man are to be issued, one being water-repellent.

Mr. GREEN: Is that for all of them?

Mr. RALSTON: I have it in mind that the authorization was for 15,000 suits in all. With regard to equipment for the reserve army, it goes without saying that we will provide equipment just as quickly as possible. As my hon. friend knows, our equipment is not simply for the Canadian forces; it is for the allies as well. However, this year we expect to do considerably better than we have been able to do so far in connection with the equipment for the reserve army, in things like transport, carriers and matters of that sort. We have had some improvement already; as my hon. friend knows, we have formed pools in the different districts in order that units might have sufficient equipment to carry on their training, and I know they have responded well. I think they have shown a great deal of consideration in view of the fact that we have been short, but every bit of equipment is being used, I can assure my hon. friend, and we do plan to give the reserve army more equipment; I have just consulted my officer who has that matter in mind. I indicated exactly what I had in mind when I said that we were looking forward to giving the reserve army more responsibility in defence roles, particularly in connection with anti-aircraft work, and that will mean more equipment will be issued to them.

Mr. GREEN: Is there a plan that eventually they are to be relied upon to defend our shores?

Mr. RALSTON: That just depends upon events; we cannot tell. It depends upon how long the war lasts, and what are the calls upon us. It is planned that they shall be ready to do so.

Mr. GRAYDON: May I ask if there is any shortage of Bren guns in the equipment of the reserve army? I have heard that statement made, and I wonder if the minister would say whether or not that is the situation.

Mr. RALSTON: We are not up to establishment in Bren guns for the reserve army.

Mr. GRAYDON: Does the minister expect to have the supply of Bren guns for the reserve army brought up to establishment in the very near future?

Mr. RALSTON: It depends upon activities overseas, as my hon. friend can understand. We are doing everything possible to bring the Bren guns for the reserve army up to establishment, but as my hon. friend knows, we will send them overseas first.

Mr. FULFORD: Speaking as a member of the reserve army, I must say that I have been astounded at the amount of equipment the reserve army now has, and also at the vast improvement in the curriculum. In our own unit, which is a small one, we are equipped with Bren guns, Sten guns—a type of Thompson sub-machine gun—we are fully equipped with rifles; we have a Boys anti-tank gun, and we have small trucks. Granted we have not some of the heavier equipment, but I do not expect that the reserve army will get that until such time as it is called out for active service. I refer to such things as the Bofors anti-aircraft gun, Bren carriers and the smaller tanks. There is one suggestion, however, that I should like to offer. We have been shown training moving pictures twice a week. Unfortunately by the time we receive these pictures they are quite out of date; in fact some of the tactics we are shown are obsolete. I understand that in the United States all army units are given the very latest pictures as soon as they come out, and I would ask the minister to give serious consideration to whether it would not be possible to give us more modern moving pictures on tactical problems.

Mr. RALSTON: The provision of additional training films is not only receiving consideration but having active attention.

Mr. DOUGLAS (Weyburn): I should like to have the minister elaborate a little more fully on the role he expects the reserve army to play. I think members of the reserve army as well as members of this house generally would be interested in knowing whether there is some part they can play, as they are hoping they will have a part to play as the war progresses. It seems to me that if at some not far distant date they are to be assigned the responsibility of protecting the shores of Canada, several things will have to be done. If all the general service personnel in Canada should be sent overseas, and if the government should decide to send overseas the home defence personnel as well, the entire defence of Canada's shores would be left in the hands of the reserve army. If that is in contemplation, I think the department should take into consideration now extending the training of the defence units. Fifteen days at camp is a very small amount of training. Of course units stationed in the cities train two or three nights a week and very often carry out schemes over week-ends. In the case of dispersed units, however, a very limited amount of training is carried on; it is limited by weather conditions, by geography, by the difficulty of procuring equipment and places to meet. As I suggested to the minister last year, in the case of dispersed units particularly, some consideration might be given to having thirty days training instead of fifteen, or having fifteen days training in the summer time and another fifteen days training in barracks during the winter. Dispersed units are usually located in agricultural areas, and many men can leave the farms much more easily in the winter time than during the summer, when there is haying, harvesting and so on to look after. If these men are to be given the responsibility of playing an important part in Canada's defence, some of them will have to be given a great deal more training than they are given now. They have a fairly good basic training, but they have had no opportunity at all to handle such things as mortars and some of the more specialized weapons. Some training ought to be given if the minister has in mind that they are to play some important defence role in the near future.

The second matter, that of equipment, was mentioned by the hon. member for Vancouver South. As I said, to-day our equipment is immeasurably better than it was, but I am surprised to hear the minister say, and I know it must be true, that there is a scarcity of Bren guns. The other day when some one asked the Minister of Munitions and Supply

why two thousand men were being laid off at the John Inglis plant in Toronto, he replied that they were levelling off their production. It seems to me that there should be no levelling off of production until every reserve unit in Canada has sufficient small arms to make themselves an effective fighting force in the event of an invasion of Canada. I recognize that what the minister says is true, that the last units to get weapons would be the reserve force. The first is the general service personnel, then the home defence personnel, and then the last is naturally the reserve force. But they ought to get the necessary weapons long before we start to discuss levelling off of production in a small arms plant.

Mr. HOWE: May I interject a remark at this stage? I did not say that we are levelling off the production of Bren guns; I do not think I have mentioned Bren guns. We are dropping two other guns which are now being made at the Inglis plant, but we are still increasing the production of Bren guns and probably will do so for some time.

Mr. DOUGLAS (Weyburn): I am glad the minister says that there is to be no levelling off of production of Bren guns. The principal production at the John Inglis plant has been the Bren gun. I do not think there should be any levelling off of production of the Boys anti-tank rifle. The reserve units could certainly use many of these rifles, because I know of only a few men in the reserve forces who have fired them. I would suggest to the minister that until the reserve forces have been completely equipped, there should be no change in the production schedule of Canada. I have a couple of questions I should like to ask the minister, but I do not know whether he will want to answer them. The first is with reference to mortars. The minister will know from having read the several books that have been written on Dieppe, such as "Dress Rehearsal" by Reynolds and "Combined Operations" by Saunders, that the value of the mortar as an infantry weapon has increased tremendously as a result of the Dieppe operation. I understand that the Germans have perfected the technique of the mortar and are now using a four-inch mortar which throws a twenty-five pound bomb as compared with a three-inch mortar throwing a ten-pound bomb with which our infantry is equipped. I am not asking the minister to tell us what the department is doing, but I am sure the committee would like some assurance from him as to the possibility of a more adequate use of the trench mortar.

[Mr. T. C. Douglas.]

Has the minister received any reports on the performance of small arms as a result of the Dieppe operation? I have in mind particularly the Sten sub-machine gun. A number of men who came back from Dieppe, with whom I have talked and who were equipped with Sten sub-machine guns, all gave the same report. As the minister knows, there are parts of the Sten sub-machine gun which are quite exposed, and when it is dropped in sand it has a tendency to become plugged. This is not true of the Reising gun, which is well closed in. You can drop it anywhere, pick it up again and use it. Many of these men found that the Sten sub-machine gun—I know this is an excellent gun on the range because I have fired it many times—had a tendency to jam in actual battle conditions where it was necessary for men to throw themselves down on the sand.

Mr. RALSTON: With reference to the mortar I know my hon. friend will not expect me to say more than that the matter to which he has referred has been in the minds and has had the consideration of the weapon development people of all the allied nations, and none more so than our own army technical development board. When I was speaking the other day I mentioned a development which might have something to do with it. I can assure my hon. friend that every step is being taken to see that our weapons are second to none, and certain matters have been worked out already in that respect.

With reference to the Sten gun I think this weapon has had perhaps as severe trials as any gun could have during the last six months. I am speaking of the Canadian Sten particularly. We have watched with great interest the reports which have come in, and as a result of these reports we are increasing the production of the Canadian Sten gun. I think it will be found to stand up all right. The Reising gun has not had a test under battle conditions, nor has it been tested under conditions which would approximate those of battle, but the Sten gun has. We are advised that the Canadian Sten gun is a gun which our troops overseas can use in connection with any activities which may take place. As I say, as a result of the reports which have been made we are increasing the production.

Mr. ADAMSON: Could the minister clarify the role of the reserve army? I know the minister has probably already given a statement in this regard, but I do not think he has done so during this debate. I know that everywhere the minister goes he is asked to describe the role of the reserve army. This

force can be shown to have a definite role, but the country is not sure. There is a great deal of criticism, perhaps misguided and erroneous, about the functions of the reserve army. Criticism is levelled against the reserve army as being the last line of defence in Canada. Criticism is levelled against the reserve army as being an expensive method of recruiting. Criticism is also levelled against it as being a morale building force.

There is probably a good answer to all these criticisms. I suggest that instead of going ahead with posters and other forms of advertising in an effort to have men join the reserve army, the minister should have published a small booklet outlining the role of the reserve army and answering all these questions. Many people criticize the reserve army because they do not know the real facts. I know in the Toronto district there was some difficulty in getting sufficient recruits for the reserve army. I do not know how successful the last recruiting drive was, but at one time it dragged considerably. In fairness to the reserve army some definite and concrete statement should be made as to its functions. Men are giving their time freely and with a great deal of keenness, and the reserve army is doing a great deal of good among the young men of sixteen and seventeen. They are learning about the army, getting instructions and the rudiments of discipline, being taught their way about, if nothing else. A lot can be said for it. I do not think it has been said. There is a great deal of groping in the dark as to the functions of the reserve army, and I suggest that the minister either make a statement at his convenience or else publish a small booklet setting forth clearly all the functions of the reserve army.

Mr. RALSTON: I took pains when I made my statement to the committee on May 18 to try to do exactly what my hon. friend has just suggested, and what I said will be found at pages 2771-72 of *Hansard*. No one values more than I do the opportunity not only to pay tribute to the reserve army but to indicate my belief in its usefulness. I emphasized then that the reserve army is, of course, a reserve army, but that its password must be preparedness; that is to say, to be ready. That is what the reserve army is for.

The functions which the reserve army fulfils are, I think, fairly definite. There is, first, the function of local or community defence and, second, the possible function of general defence. In addition to that, it does act as a body which impresses the citizens of Canada with the idea that this war is not won yet; that we cannot wait until the hun is on our doorstep before we get ready to meet him. Members of the reserve army set a fine example by recognizing not only the opportunity but the obligation of Canadian citizens to devote some of their spare time and some of their comfort—and time and comfort are two solid commodities that are generally appreciated—to preparing themselves for an eventuality which may come. Everybody hopes it will not. Everybody hopes there will not be murders committed; yet no one suggests that we should not have a police force. Everybody hopes there will not be fires; but no one suggests that we should not have fire-fighters. They stand prepared, and the reserve army is for that very purpose.

I sympathize with the men of the reserve army and appreciate the steadfastness they are showing, day after day and night after night, working at their bench or in their office and, when the day's work is done, going out and drilling along with the boys and young men in order to be ready. I say they are doing a fine job for Canada. We must not forget that only six months ago did the tide apparently begin to turn. It was only six months ago that the British and United States forces landed in North Africa. Up to that time it was a pretty blue prospect. We are not out of the woods yet by any means, and there may be an opportunity and a necessity for the reserve army. That is exactly why we are taking all this time and spending all this money to assist them to be prepared. The pay and allowances are a fleabite so far as the individuals are concerned, but we are providing the reserve army with a lot of equipment. Some of that equipment can be made use of in other places; at the same time we are providing a reasonable amount in order that men may be trained. I have not been at a reserve army camp but, from what I have learned, the enthusiasm shown at these camps has been outstanding, even though the men who give their time to go may not see an opportunity to serve immediately ahead. They are there to get ready and to be ready. As I said the other day, I think the country owes them a great debt of gratitude and real appreciation for the way they have stood by Canada at this particular time. I do not know what more I can say than that. The same request has come to me from other quarters as came from my hon. friend to-night that I should go across Canada and speak to the reserve army. I wish I could, as I have said repeatedly to them, but it has often been charged that the minister goes into too many things. The best I can do is to make to the reserve army when I see them the kind of statement I have made to-night.

When we appointed Major-General Browne director-general of the reserve army, it was not just a gesture. We believe that the reserve army deserved encouragement and the sort of supervision he can give. I believe his appointment has been amply justified by the results shown across Canada. It is quite possible that the reserve army units in military district No. 2 may feel that there is little chance of activity, but it is a great satisfaction to them, as I know from what I see when I visit them, that they are ready if the opportunity for action does come, and I have not any doubt, seeing them as I did, led by veterans of the great war, that they would give a good account of themselves. I saw businessmen in all walks of life doing their part in the reserve army along with the young chaps to see to it that the traditions of the army are upheld, and seeing them I have felt that Canada had a reserve force which could be depended upon should the need arise. It is not a glamorous role, I know. They do not expect a glamorous role. All they want is to feel in their hearts the satisfaction of knowing that they are doing their duty, that the people of this country appreciate what they are doing and that their job is something worth while. That is what I have tried to tell them. That is what I honestly believe myself. The reserve army gives the men two chances to serve, a chance to serve at their ordinary vocation or business in the daytime and a chance after hours, to prepare to serve as soldiers to prevent homes and business from being swept away if the threat should come. Their readiness to serve is a challenge to any citizen of this dominion.

Mr. DIEFENBAKER: I should like to ask a question of the minister arising out of a statement he made some time ago. If I understood him aright, he said that there would be an increase in Sten machine-gun production this year. Recently there has been considerable reference in United States papers to a reshuffling of war production in Canada. Only the other day there was a dispatch from Washington by a Canadian Press writer who said:

> As seen from here, Canada may be forced to make drastic changes in the next two or three months, switching factories to new production, stopping the production of some war materials, particularly certain ground equipment and, generally, reshuffling her whole industrial machine built up since the start of the war.

This article is dated Washington, May 7, and goes on to say:

> Instead of guns and shells, it may be ships, naval and cargo-carrying. The total effort will be the same, the change coming in emphasis.

[Mr. Ralston.]

Reference has been made by some hon. members who have preceded me to the necessity of providing for the reserve army still more supplies, such as munitions, machine guns and the like. Up to the present one of the main reasons why these units were unable to be supplied with the necessary munitions and equipment was the fact that requirements in Britain and in other parts of the world and in the Canadian army overseas made it impossible to supply the units in Canada. The minister to-night has made it very clear—I think he has uttered a warning to the people of Canada—in discussing the possible role of the reserve army, that it is within the realm of possibility that the men of the reserve army may have to be used for the defence of Canada, if I understood him aright. That being so the reserve army should be fully equipped. As I have already pointed out, during the past few weeks the press of the United States and, in a lesser degree, of Canada have given great attention to the fact that, in a reshuffle of production, great changes will take place in the war factories of Canada. I ask the minister if it is a fact that there is on hand to-day such an excess of rifles, machine guns, mortars and the like as to justify reduction in production of any of these lines at this time. The minister has mentioned that there will be an increase in Sten gun production, but I would ask him, knowing there must be consultation with him in the determination of a matter such as this, whether it is intended during the next six or eight months, in any event from now until the end of the year, to cancel the further production of Boys anti-tank rifles, to reduce Bren gun production by approximately sixty per cent, as well as to drop the production of 3·7 anti-aircraft guns and mountings. There has been a great deal of reference in the press to this sort of thing. If it is correct, my submission is that it is not justifiable at this time, provided that the reserve army and the other units in Canada have not, as they have not at the present time, full equipment. I think it would be a fine idea if the minister could give a statement, circumscribed as it must necessarily be by consideration of safety, as to what changes in the matter of gun production and the like have been decided upon and how these changes will be effected during the next few months.

Mr. RALSTON: I may say to my hon. friend that, with the limitation which he imposes, and which is quite justified, I could not possibly make any statement at all. I mean that I am circumscribed by the bounds

of security, and I do not think my hon. friend proposes to have me declare to the world in what lines we shall restrict production, and in what lines we shall increase production of munitions of war. I do not quite understand my hon. friend, but if I have correctly stated what he is asking, my reply is that I cannot give him a statement. Production will be regulated in accordance with need and with the requirement of production facilities for other things.

Mr. DIEFENBAKER: Can the minister assure us that there will be no reduction until the reserve army is equipped?

Mr. RALSTON: I cannot give that assurance. There may be some demand which is very much more vital and which may therefore come first.

Mr. DOUGLAS (Weyburn): Before the minister leaves that point, may I draw his attention to what I think is a marked inconsistency with reference to government policy. As the hon. member for Lake Centre is emphasizing the minister admits to-night, what most of us know, that the reserve army has not been fully equipped with all the weapons it would need in the event of having to take part in repelling an invasion.

Mr. RALSTON: That is to say, all the reserve army are not fully equipped. My hon. friend must remember that there are a good many weapons available to the reserve army.

Mr. DOUGLAS (Weyburn): That is true, but that statement and that fact stand in very bad contrast with, for instance, the statement which is now reported in the press from the Minister of Munitions and Supply. He is reported from Washington as saying that we are now to be able to turn our production intc producing more consumer goods. There is a marked inconsistency between what the Minister of Munitions and Supply says, that we are to be able to turn our productive resources to the manufacture of consumer goods, and the admission of the Minister of National Defence that we have not yet sufficient of the weapons essential for the use of the reserve army to equip them adequately with what they would need to take part in a defensive operation.

Mr. HOWE: Since my name has been mentioned, perhaps my hon. friend will read the dispatch. I have not seen it. Certainly I made no such statement.

The CHAIRMAN: Shall the item carry?

Mr. GREEN: Before item No. 8 carries, will the minister tell us what provision, if any, has been made to supply the troops in Canada with transport planes for training? We asked that question last year. Apparently at that time Canada had no transport planes at all, so that there was no means of transporting our troops by air. I should like to know whether that is still the position.

For some reason or another, despite the fact that Canadians are a very progressive people, we have not been very progressive in our training methods during this war. It came out last year that we were leaving all our advanced training to be done in Great Britain, just as we did in the war of 1914-18; but as a result of the Hong Kong inquiry and of the condition of our troops when sent to Hong Kong some change was made, and Canada then took up commando training. We have only recently been doing paratroop training. We had to wait until the United States came into the war before we started this training, and then we had to send our troops to the United States to be trained. Now, I think, we have one battalion back here in Canada. We have been very dilatory in putting into effect the most modern types of training for our men. I would ask the minister why it is that Canada has been so long in getting the transport planes and in taking any steps to train air-borne divisions. Some years ago the Germans were doing that, training their men in gliding, and they took Crete by the use of troops of that type. There would seem to be no reason why Canada could not specialize in carrying troops by air and in training air-borne divisions. We have the space; it is much easier to train troops here for that kind of warfare than it is in Great Britain. I should like to know whether we have taken any steps yet in that direction.

Mr. RALSTON: I can only say to my hon. friend that in order to train air-borne troops, transport planes are required.

Mr. GREEN: Why have we not got them?

Mr. RALSTON: My hon. friend had better ask some of the allies why they have not got them on the active fronts. Does my hon. friend think they grow on trees?

Mr. GREEN: They certainly do not grow on trees around here.

Mr. RALSTON: And they do not grow on trees anywhere else, either. My hon. friend just rises in his place and asks the question, as though somebody had been negligent in not having asked for transport planes, as though one could get them off a shelf. I think my hon. friend knows without my saying it that transport aircraft is not yet in

such tremendous production that we can get transport planes for training just at the present time.

Mr. GREEN: Does the minister say it is impossible for Canada to get any transport planes for training troops? We had a big transport plane over Ottawa last week, and the Americans have had them. I submit to the committee that if the defence department wanted to train troops in that way, wanted to get some transport planes for training troops, they could get them; and if we could carry more troops by air, if we had air-borne brigades or divisions, we should probably need far fewer men to defend Canada. I am quite serious about this matter. I do not understand why Canada should not be up to date with regard to the training of troops for transport by air.

Mr. RALSTON: I do not want to be short with my hon. friend, but when he makes a statement like that, that the Department of National Defence, had they wanted to, could have had transport planes and could train air-borne divisions, I only say to him, respectfully, but very firmly, that he does not know what he is talking about.

Mr. GREEN: The Minister of Munitions and Supply is here. Between them, do the ministers say that Canada cannot get transport planes for the training of our army?

Mr. RALSTON: I am saying that at the present time Canada is not in a position to demand transport planes, in view of the need for transport planes in active theatres.

Mr. GREEN: Probably if we had had a few paratroops at Dieppe we would not have had such casualties.

Mr. RALSTON: If we had had my hon. friend at Dieppe I have no doubt it would all have gone according to the book.

Mr. GREEN: It could not have been much worse. Have our troops in Great Britain been given an opportunity of being trained in this regard?

Mr. RALSTON: Our troops in Great Britain have taken every opportunity to train in connection with aircraft cooperation and airborne activities in so far as the equipment was available.

Item agreed to.

On item 9—M.T. vehicles: trucks, tractors, trailers, tanks, A.F.Vs. and repair parts.

Mr. FRASER (Peterborough West): Is all this equipment delivered and in actual operation? I am referring to the $272,000,000 worth. Do I understand that it has all been delivered, none of it being on the sidings in Canada?

Mr. RALSTON: There is certainly some of it, not on the sidings but on the docks in Canada.

Mr. FRASER (Peterborough West): I mean, in the packing cases?

Mr. RALSTON: Certainly. There is some on the docks. It is being shipped all the time.

Mr. FRASER (Peterborough West): I do not mean on the docks, but in different places like Belleville, Trenton and so on.

Mr. RALSTON: It will have to be in stores, too, until shipping comes along. We cannot put it all on the docks. It is being delivered as shipping is available and whenever the need arises. It is all ready for use.

Mr. HAZEN: Was all this money spent in Canada last year, and will it all be spent here this year, or was part of it spent outside? If so, how much?

Mr. RALSTON: In connection with some of this equipment, components are purchased in the United States. Some heavy motor transports are purchased in the United States, but the great bulk of it, apart from the money for components, is spent in Canada.

Mr. FRASER (Peterborough West): Some of this equipment has been on the dumps or sidings for two years or more. Is that included in this amount?

Mr. RALSTON: So far as equipment for Canada is concerned—the material that is covered by this item—there is a very small proportion of it that is on the dumps, to use my hon. friend's expression, or the sidings, and such as there is, is awaiting shipment.

Mr. FRASER (Peterborough West): That is what I am trying to find out.

Mr. ROSS (Souris): This seems to be $100,000,000 more than last year's. How is it accounted for?

Mr. RALSTON: It is accounted for in this way. The money was not all spent last year owing to the fact that reserves were not used up, there being no activity, and what is put in this year is to provide reserves and to provide against casualties. The expenditure last year would have been almost the amount shown for this year had there been activity. Since there was no activity, the reserves were not used up and the money was not required, so that only $270,000,000 was spent.

Mr. ROSS (Souris): And that includes equipment for the army overseas?

Mr. RALSTON: Yes.

Item agreed to.

On item 10—Operating cost of mechanical transport, fuel maintenance, etc. (not including repair parts).

Mr. GRAYDON: May I ask the minister a question arising out of one part of the discussion that took place the other evening, either on this item or on some other comparable item, in connection with the war appropriation bill while it was in committee last year. I refer to the economies which were to be instituted by the minister. I believe it was the Minister of National Defence who undertook to see that certain economies were put into practice in connection with the use of mechanical vehicles such as jeeps and other mechanical transport using gasoline. The point was raised in the committee that there was some thought in the public mind that there was perhaps a rather reckless use of gasoline in certain instances. Naturally that was something that would creep in, but the minister indicated that the department was prepared to institute a campaign of economy in the use of gasoline, in view of the shortage generally with which we were faced. What plans has he put into effect to bring about those economies?

Mr. RALSTON: All I can say is that the strictest check is kept on cars going out, the routes to be followed, the mileage to be covered and the gasoline to be used. Strictness is observed with regard to the use of cars in an endeavour to avoid two trips where one will do. I myself sometimes observe that this is not being carried out. I see a car going without a full load. But I know the quartermaster-general is particularly strong on this and has checked a good many times the use of cars for any purpose which is not strictly a service purpose, and even the use of a service car by service personnel when that use could have been obviated. I cannot tell of any system except rigid vigilance in an endeavour to see that the use of gasoline is curtailed in every way possible. In connection with staff cars and cars of that kind, there has been a marked reduction in the use of them since the gasoline shortage has become acute, and everyone is concerned to conserve gasoline. I cannot give my hon. friend any system which has been put into effect apart from that.

Mr. GRAYDON: Has there been a reduction in the number of ordinary automobiles used by the army here, outside training or service generally?

Mr. RALSTON: The transport officer is not here, but I do not know of any number. In some places cars have been cut down or taken off the establishment altogether. I cannot say about Ottawa.

Mr. FRASER (Peterborough West): How are the service stations selected for supplying gasoline and oil for the different army vehicles that pass through the various cities, towns, and villages? I ask that question because I know that in some instances army vehicles go two miles or so out of their way in order to get gasoline from some particular service station, and they pass half a dozen others on their way.

Mr. RALSTON: I am afraid I shall have to guess at that in the absence of the transport officer, but gasoline is bought by contract from different companies and is supplied at their stations. The service station is not selected; it is supplied by contract, and they go to the nearest station of that particular company to fill up, when they cannot be served at our transport supply station. That is my idea of what the practice is.

Mr. FRASER (Peterborough West): My understanding is that, first of all, tenders are submitted by these companies. It is by tender system, is it?

Mr. RALSTON: The Department of Munitions and Supply buys it for us.

Mr. FRASER (Peterborough West): If an army truck were going to Kingston, it could stop at one of the supply depots of that company.

Mr. RALSTON: I think so, when necessary. Ordinarily, they would first stop at military supply depots, if available.

Mr. FRASER (Peterborough West): It would not be told, "You must go to No. 1 gasoline station, and must not go to No. 3 or No. 4"?

Mr. RALSTON: It could go to any station of the company. Remember, I am speculating when I make that answer, because I have no transport officer with me. Perhaps I had better get the information accurately for the hon. member, because I do not wish to put on record something which is only a pure guess.

Mr. FRASER (Peterborough West): I should be glad if the minister would do that.

Mr. RALSTON: I wish to put on record one paragraph of an order which has been brought to my attention. Paragraph 17 of routine order 1992 is as follows:

As a further measure of conserving tires and gasoline, all vehicles, except those at advanced training centres and centralized schools of instruction and vehicles required for urgent operational purposes, will be immobilized two full days each week. Neither of these two days will be a Sunday. On these days only the minimum number of administrative vehicles as are necessary to carry on proper routine will be allowed to operate and the drivers of such vehicles will be provided with permits signed by their commanding officer.

That is, two gasless days for these particular establishments. If I remember correctly, they have a gasless day in England as well.

Mr. ADAMSON: Does the minister say, "not advanced training centres"? Does it not include advanced training centres?

Mr. RALSTON: It states:

. . . except those at advanced training centres and centralized schools of instruction and vehicles required for urgent operational purposes. . . .

Mr. ADAMSON: It includes everything in England.

Mr. DOUGLAS (Weyburn): When the minister is getting information regarding the supply of gasoline to army vehicles, will he tell us what companies have these contracts, and how much has been given to each company.

While I am on my feet I should like to place on record this paragraph appearing in the Winnipeg *Free Press* of May 29, 1943, under a Washington date line of May 28:

Howe Reviews Production

Canadian arms and military equipment production has reached such a stage of output that there can now be some easing up on restricted production of civilian equipment, according to Hon. C. D. Howe, Canadian Minister of Munitions and Supply, in Washington to-day. Specifically mentioned by Mr. Howe as items which may be supplied now in larger degree for civilian use are farm machinery, railway rails, textiles and repair parts for power plants.

I point out to the minister that, according to the report, the impression was given to the public that we have now reached peak production in the output of war materials, and that it would be possible to turn Canada's production machinery to producing consumer goods. I merely point out that this is rather out of harmony with the statement of the Minister of National Defence.

Item agreed to.

[Mr. G. K. Fraser.]

On item 11—Sundries, including printing, stationery, telephones, telegrams and other costs not included in above items.

Mr. GRAYDON: This is a sufficiently important item to warrant a break-down. When the minister is giving the break-down, would he tell the committee if the item with respect to printing covers any of the advertising for the reserve army, or recruiting generally?

Mr. RALSTON: I have not a break-down showing the amounts for telegrams and telephones. Printing and stationery stands at $9,400,000; training equipment, not provided elsewhere, $400,000; and sundries, $4,800,000.

The increase in printing and stationery is due to the fact that, with the increased personnel in the United Kingdom the expenditures for printing and stationery, telephone and telegrams has risen more than proportionately because United Kingdom costs are higher than in Canada. The increase is something like $5,000,000.

Mr. GRAYDON: Will the minister give the committee the costs of telephonic and telegraphic communications?

Mr. RALSTON: I thought an order for a return had been passed recently with respect to telephones.

Mr. GRAYDON: And telegrams?

Mr. RALSTON: I should like to be heard on it when it comes up.

Mr. ROSS (Souris): There was a return tabled a few days ago in answer to a question standing in my name. This is the only item which shows a reduction in the total amount. Would the minister tell the committee whether his department has private lines, like the Department of Munitions and Supply, or whether the business is done through the various commercial telephone companies?

Mr. RALSTON: We have no private telephone lines. All the business is done through the commercial companies. Of course, as the hon. member knows, we have teletype circuits.

Mr. GREEN: This item looks as though it includes a good deal of the red tape.

Mr. RALSTON: Not if it refers to telephones and telegrams.

Mr. GREEN: Could the minister say whether there has been any reduction in the paper war in the last year?

Mr. RALSTON: I have not here the text of a directive, as it is called—the modern term—which was issued, and sent out in simple language; nor have I mentioned the

lectures which have been delivered to the staff, to the minister and to everybody, with regard to the amount of paper used. I think it is reduced to some extent. I am not enthusiastic about the results, but at the same time we keep on trying. The difficulty is that so many people have to see and have to know about what is going on that it means passing from one to another. The tendency to put on another memorandum, instead of just saying, "Noted and concurred in", is very great. The tendency is for one official to write a memorandum and another to write a memorandum repeating the previous officer's memorandum. We have cut out all salutations, and things of that kind, and we make our memoranda as terse and to the point as possible.

Mr. GREEN: By the time the war is over, the experimental farm will be full of records buildings.

Mr. RALSTON: These memoranda will not be on the records.

Mr. GRAHAM: I was interested in the remarks of the hon. member for Leeds respecting moving pictures, and the work done through that medium in the training syllabus. Would the minister make a statement on what assistance is being received from moving pictures and, generally speaking, what use they are? I am told great use can be made of moving pictures, particularly in connection with training in the reserve army.

Mr. RALSTON: I would have to be a Hollywood director to give my hon. friend a description of the films. I have not seen many of them, but I do remember one which impressed itself upon my mind, namely, that having to do with the Boys anti-tank rifle. It was a realistic representation of the rifle, all its parts, and the way in which it is operated. The film carried an excellent running commentary. One need only see it for about ten minutes, and it seemed to me he would have the operations of the rifle fixed in his mind better than he could in any other way.

I have not any memorandum before me with regard to training films. I have, however, taken an interest in the matter myself, and I believe it was only the day before yesterday that I discussed this matter with the chief of the general staff. I remember that there were something like a thousand copies of different films being circulated, and we have a technical man trained in that work attending not only to the possibilities of making the films but also that what is just as important, namely, the distribution of them. There is the greatest tendency, I find, in connection with training films to have them tucked away somewhere in a pigeon-hole, or to have them kept at one training centre instead of being passed on somewhere else. That sounds like a very simple sort of problem with which to deal, but it is not quite so simple with the number of training centres we have and the number of different films with which we have to deal. Films are being made now; the national film board is helping us a great deal in that respect, and we have had some commercial films as well. On the whole, I think great strides are being made in that particular method of training.

Mr. GREEN: Could they be used at all in the training of the school cadets?

Mr. RALSTON: They certainly could.

Mr. DOUGLAS (Weyburn): Yesterday the minister said he would give me the division of the money spent on transportation as between the different railways. I wonder if, when the minister gives that information, he could give me the same information in regard to telegrams and telegraph service, as between the two companies.

Mr. RALSTON: I do not think we have the information in regard to telegrams and telegraph service. The break-down as between the two railways for the fiscal year 1942-43 was as follows, and if I may I will lump the figures: passenger, freight, express and meal services, Canadian National Railways, $12,384,042.90, or 51·40 per cent; Canadian Pacific Railway, $11,710,314.25, or 48·60 per cent.

Mr. HAZEN: A day or two ago I asked the minister one or two questions about the directorate of public relations, and he said he would make a note of it. I do not know whether he is in a position to give the information now, but, if not, I should like to know when I may expect it.

Mr. RALSTON: Does my hon. friend want it on this discussion?

Mr. HAZEN: No, not particularly.

Mr. RALSTON: As a matter of fact it is almost ready. Would my hon. friend accept it as an order for a return?

Mr. HAZEN: No; I should like it answered here.

Mr. RALSTON: Then my hon. friend wants it on this discussion?

Mr. HAZEN: Yes, but not necessarily right away.

Mr. RALSTON: I am anxious to get these items through, if I can. Could I give the information on the estimates of my colleague the Minister of National Defence for Air?

Mr. HAZEN: Yes.

Item agreed to.

B—Sundry Services

Departmental administration	$ 1,526,405
Dependents' allowance board	657,700
Internment operations	8,430,895
Dependents supplementary grants fund	1,285,000
Inspection board of the United Kingdom and Canada	10,600,000
Total	$22,500,000

Mr. DOUGLAS (Weyburn): Could we take these one at a time? After all, some of these are fairly important items.

Mr. RALSTON: Certainly.

Mr. DOUGLAS (Weyburn): I have not a great many questions, but I think several hon. members have one or two to ask.

Departmental administration, $1,526,405.

Mr. GREEN: This afternoon the minister promised to make a statement in regard to this plan for reclaiming men for the army.

Mr. RALSTON: I intended to do that while the director-general of medical services was here, but I forgot.

Mr. GREEN: And also the cost of food and supplies per man per year.

Mr. RALSTON: Could I give my hon. friend that information on the estimates of my colleague?

Mr. GREEN: The minister will answer both these question then?

Mr. RALSTON: Yes.

Mr. GREEN: There was one other question, having to do with the enlistment of aliens in the army. A return was tabled on March 8 which showed that under the provisions drawn up a few months ago a total of 751 aliens had been called, but apparently only three had been chosen; at any rate up to that time only three had managed to get into the army. Could the minister tell us the position to-day with regard to the taking of aliens into the army? Over a year ago we were told that they were all to be called up; yet very little action has been taken. What is the situation at the present time?

Mr. RALSTON: A set of rules has just been approved with regard to both the enlistment and the calling up of aliens. I would not undertake to give them from memory, so that I think I had better answer that question at the same time as I give the other information.

Mr. GREEN: Could the minister tell us how many aliens actually have got as far as the army?

Mr. RALSTON: No; I cannot.

Mr. GREEN: Can the minister not get that information?

Mr. RALSTON: Certainly.

Mr. GREEN: The minister will give that at the same time?

Mr. RALSTON: Certainly.

Item agreed to.

Dependents' allowance board, $657,700.

Item agreed to.

Internment operations, $8,430,895.

Mr. GILLIS: I think the minister should make a statement for the purpose of clarifying what was said the other day in this house by the hon. member for Broadview, to the effect that Ontario universities were full of enemy aliens and that the Department of National Defence was supplying them with uniforms. During the Easter recess, due to considerable propaganda carried on in the press, at several meetings I attended I met quite hostile audiences on that very point. They wanted to know if it was the policy of the government indiscriminately to release enemy aliens in this country and give them the privilege of attending universities while our own boys were being called from the universities and relegated to the armed forces. Having had some little experience in Ontario last summer, I had some knowledge of the situation. My conception of the matter is that instead of being called enemy aliens, these boys should be classified as refugees from Hitler and the totalitarian countries. However, coming from me that is not official, and I think under this item the minister should make some statement as to the status of these men, why they were interned and what are the regulations with respect to their release. I think this has been a subject of controversy right across the country, and the statement made by the hon. member for Broadview a few days ago added fuel to the fire. Therefore I think a clarifying statement by the minister would be in order.

Mr. RALSTON: This matter was the subject of a return brought down in response to a question asked by the hon. member for Carleton. The persons to whom the hon.

member for Broadview referred were eighteen students who had lived in England for several years before being sent to Canada in July, 1940; I think some of them were undergraduates of Oxford or Cambridge. They came to Canada in a general round-up of aliens in the United Kingdom in 1940. In order to make sure of catching the few aliens whom it might prove unsafe to have at large, practically all aliens from Germany and Austria were corralled and sent to Canada from the United Kingdom. When time permitted, their cases were investigated, and many were found conclusively to be harmless. The home office sent a representative, Mr. Paterson, out here in November, 1940, and he checked all the records. Then his duties were assumed by Lieutenant-Colonel Fordham, and Mr. Paterson returned. Then it was decided after an investigation of the cases in conjunction with the home office—we were really holding them as a result of the home office having sent them to us—that it would be better to allow these undergraduates to continue with their studies in Canada rather than to waste valuable years behind barbed wire. The original plan was to permit one hundred of them to go to Canadian universities. Their records were closely scanned by the home office, the commissioner of refugee camps, the director of immigration and their respective staffs. Each individual's history was thus scrutinized by three sets of officials.

A responsible sponsor, residing in Canada, came forward for every student released for the purpose of attending a Canadian university. The sponsor had to be a reputable citizen possessed of assets, who would undertake to guarantee the cost of maintenance and the tuition fees of a student. This was to prevent a student from becoming a public charge. The sponsors were usually found through the agencies of a voluntary organization known as the central committee for interned refugees. Every sponsor had to meet with the approval of Mr. Blair, director of immigration.

This plan was put into effect in the late summer of 1941 and has worked successfully. The students involved have given neither the commissioner of refugee camps nor the director of immigration any trouble at all, and in most instances have done exceedingly well in their studies. There are two students in the school of law, university of Toronto, who are said by their professor to be two of the most brilliant he has ever had. All are hard working. There are released refugees at ten universities in Canada, including Toronto university, and all have given the utmost satisfaction. There is one exception, because a case came to my attention the other day where a student had not given the utmost satisfaction and the necessary action is being taken. That is the only case I have had come before me.

Mr. GRAYDON: What does the minister mean by not having given utmost satisfaction?

Mr. RALSTON: His conduct was entirely unsatisfactory; there was nothing in the way of subversive tendencies. His character was not of the best. Some of these men have brothers and other close relatives serving in the British army and navy. That is the statement. I have received strong letters, particularly from British Columbia, about this matter. There were considerable protests over the episode. I think that is what my hon. friend has in mind.

Mr. DOUGLAS (Weyburn): There is still a question in the people's minds which the minister has not answered. The argument they advance from time to time is a fairly logical one. They contend that these people must be opposed to the Hitler regime, or they would not be released. If they are opposed to the Hitler regime, then they should be making some contribution toward defeating Hitler. We require our own young men to leave their educational pursuits or whatever else they are doing in order to make some contribution, either in the armed services, on the farm, in our munitions factories or wherever else they may be placed. Is there not the same obligation devolving upon these young men? Can they be placed in the armed forces? If not, the people should be told why. If they can, why are they not there? Is there something more useful that they can do? Can they be used on the farms? These are the questions that are being put, and they are the questions contained in a number of letters I have received. Are these 230 young men in our universities scientists who it is felt will be able, when they complete their courses, to make some contribution as a result of the education they may receive? Or are they merely being allowed to finish their education because there is no other way in which they can render a service to the common cause?

Mr. ADAMSON: Have any of them offered to enlist in the army?

Mr. RALSTON: I have not heard of any.

Mr. BOUCHER: The hon. member for Weyburn has expressed one viewpoint in this connection, but there is another angle to this matter. Our own boys have been limited in the education they may receive or in other activities and have been forced to undertake war duties, whether it be in the armed forces, in industry, in private business or otherwise.

Yet these people of alien descent are attending our universities and are apparently not subject to call. These universities are kept going by the state. It is true these young men are paying their tuition fees and the cost of their board and lodging, but the cost of maintaining the institutions is a state responsibility. These young men are being qualified in their respective professions, whether it be science, the law or anything else, and will be ready to enter into competion with a generation which has been limited in its attendance at university.

This situation is rather disconcerting to the public. On account of their background it may not be possible to take them into the armed forces, particularly when they have been sent here by England, but we have a duty to our own people to see that these people are not allowed to take the cream of the land without having taken part in the struggle in which we are now engaged. I think we could satisfy public opinion without being too generous to these aliens who are attending our universities We could give them every possible assistance, but require of them a scientific application of their knowledge rather than provide an advancement of their learning.

This matter has been brought forcibly to the public mind by reason of the questions asked following the controversy which took place at Toronto university about the admission or non-admission or rejection of these students. There are many ways of looking at this matter. There should be a proper way to handle this problem and satisfy public opinion.

Mr. RALSTON: First, I want to correct an impression I may have left with regard to the one individual who I said had not behaved properly. He was not a student at Toronto university; he was at another university.

I am sorry that I have not before me the exact text of what had been determined in connection with this matter of enlistments and call-ups. I wish to say that I am thoroughly in accord with the idea that these young men should serve this country and should be prepared to do their full part in so far as the country can avail itself of their services. I want to go farther and say that so far as the army is concerned I am not one of those who believe that we should keep these young men out of the army if, after investigation, we are able to satisfy ourselves that they will serve the country properly. I feel that the obligation is on us to investigate them and, if possible, to make use of their services. That goes both for voluntary enlistments and for men being called up. My hon. friend has suggested as an alternative that if they cannot go into the army, they should at least be required to serve this country in some other way by utilization of their scientific training or ability in that line. As a matter of fact, that has not been considered by the government so far as I know, but, to express my personal opinion, I am thoroughly in accord with that. I am not one of those witch hunters who feel that everybody who happens to be of alien birth is, therefore, somebody whom we must either put behind barbed wire or else relieve from the obligations of residence in Canada in time of war if he is to have the benefit of domicile and asylum here. Not long ago the army discharged certain men who, I believed on investigation and from what the sponsors who spoke for them said, would prove eminently good soldiers in every way. After their cases had been investigated they were told that if they cared to be reenlisted we would reenlist them. That is the attitude of the army, and I do not believe we are endangering the safety of the state, provided we take the necessary precautions, which we have the facilities to do, to check up on them and make sure that they are the sort of people who can give good service in the army.

Mr. POULIOT: I have just one question to ask the minister. It is about internment camps for anti-nazis. I should like to know how many of them there are in this country and what is being done at the anti-nazi refugee camp at Sherbrooke. I am informed that last year they were getting two big truckloads of beer each week. I understand that it is pretty hard to get it now, but all last year they had it. I could give the minister the name of the driver. It seems strange that while we are fighting the nazis, some others who are opposed to them are placed in internment camps in this country under the Department of National Defence. I should like to know how many of these camps there are, how much they cost and why we keep these men behind barbed wire if they feel as we do about the nazis.

Mr. RALSTON: I know nothing about the matter, but I will make inquiries to find out the circumstances of which my hon. friend speaks.

Mr. POULIOT: The man in charge of the camp gave a public lecture in Sherbrooke last year and it was printed in *La Tribune*, a daily paper. I think we are entitled to some information with regard to the matter. I do not wish to cause any trouble to the minister, but I find it astounding that these men who feel like we do about the war and want to defeat the nazis should be kept in an internment

camp. I cannot conceive it. I should like to know how much it costs the country and how it is that the internees receive so much beer.

Mr. STIRLING: The cases which the minister dealt with just now were those of students. Can he tell us with regard to those others who have been released after investigation from among those brought from Britain by Britain's permission? For instance, I am informed that there are some who, on account of their knowledge of languages, have been of considerable use; I do not know how many there are. I am further informed that besides those who have been so made use of on account of their knowledge of languages, there are still others in the camps who have been cleared by the investigators but have not yet been released. Does the minister know anything about them?

Mr. RALSTON: I do not think we have any information in National Defence as to the first class of which my hon. friend speaks. If they were released, they would be released either on parole and be required to report to the police, or be released under general parole. With regard to the second class, those who have been investigated but not yet released, I have no report on them but I shall certainly make inquiries. I shall also make inquiries regarding the matter raised by the hon. member for Témiscouata.

Mr. EDWARDS: In reference to what the hon. member for Témiscouata has just said, because a man happens to be anti-nazi it does not necessarily follow that he is pro-ally. There are some rather big internment operations in my part of the country, and it is known that within the confines of the internment camp the nazi party rules with an iron hand. They have their gestapo within the camp. It is not difficult to imagine that among those who fought us on the fields of battle, whether in North Africa or elsewhere, there are those who do not subscribe to the principles of the nazi party, and I believe that upon the discovery of such in the internment camps these same anti-nazis are given a very difficult time. But that does not put them in any different category; they are still enemies of the allied nations.

Mr. POULIOT: And they drink a lot of beer.

Mr. EDWARDS: Well, after all, they buy their beer with their own money. So far as I know, there is no restriction upon what an interned soldier can buy in Canada, in Great Britain or in Germany with those funds which are provided to him by the interning country, whichever it may be. In other words, Canadian soldiers interned in Germany in the last war could spend what money they had available to them for luxuries or niceties such as they were able to purchase or the country afforded, and I believe the same rule applies in Canada. I have heard the same comment in discussion in my part of the country. People were wondering why there were certain kinds of fruits and candies being bought by the internees. The explanation is very simple. Each of these interned German soldiers has a limited fund, ten or fifteen or twenty-five cents a day, that is paid to him, and if he sees fit to spend his ten or fifteen or twenty-five cents a day to buy beer or chewing gum or cigarettes or whatever else is available to him, there is no law of the land that would deny him the right to have it. I think that is recognized by all countries which are involved in this fight.

I rose, however, primarily, to direct a question to the minister with respect to a certain class of people with whose ideas I confess I have little sympathy, but for whose religious convictions, if they are in truth founded on beliefs of the mind or the spirit or the heart, I have every respect. I refer to the so-called conscientious objectors, more familiarly known as the "conchies". In the section of the country to the west of me we had camps where men of this category were interned or required to do alternative service. I think even the devil is entitled to his due; and while I hold no brief for the conscientious objectors as such, I was pleased, indeed I was astounded, to learn at first hand of the favourable impression which these so-called conscientious objectors created in the minds of those who were charged with their internment. I was told and have every reason to believe that they were doing excellent work, work which in Canada has a money value of three or four or five dollars a day.

But my inquiries led me farther afield, and have prompted me to raise this question in the committee. I was told by not a few officers and men who are in charge of these internment operations and learned as a result of interviews with several internees, that these people would like to be allowed to make a contribution to the winning of the war if there could be found for them a

niche which would not necessitate the violating of their consciences by requiring them to carry arms and take the lives of their fellow men. They have no conscientious objection to engaging in any of these auxiliary services contributory to the winning of the war; the one point at which they draw the line is that they will not deliberately and consciously take the life of a human being, be he friend or foe. Having regard to the constitution of the modern army, I have been wondering whether, among the hundreds of thousands of men required in the armed services, there is not a place where these men, who are good citizens and loyal Canadians and are sympathetic to our ideals, but have a firm conviction, founded on what, as they understand them, are orthodox Christian beliefs, that they should not take the lives of their fellow men, could usefully serve their king and country at this time.

I was told the situation had been met elsewhere. I find that in the United States, by presidential decree issued in 1941, the government recognizes two classes of conscientious objectors: those who are absolutely opposed to any kind of participation in warfare, whether by bearing arms or otherwise, and those who are willing to engage in any of the activities of war except that of taking the life of a fellow man. The head of the United States army, in conformity with the presidential decree, designated certain branches of the armed forces as non-combatant services; and I believe that last year over five thousand adherents of one sect alone, namely the Seventh Day Adventists, were regularly inducted into the United States army and are now wearing the uniform with pride and distinction. Only the other day I received a clipping of a citation of one of these Seventh Day Adventist soldiers for bravery at Guadalcanal. Surely somewhere in our armed forces there are places for such men. I find it difficult to believe that in every branch of the armed services men are required to carry arms.

It is with some hesitation I bring this matter before the committee and put the question squarely to the minister, whether there is not some way whereby the conscientious scruples of these men can be respected while enabling them to do a worth-while job in the armed services. In this connection I am aware that there is a little buck-passing going on, because whether or not a man is a conscientious objector is determined elsewhere than by the service departments. The Department of Labour, or national selective service, which the Department of Labour now administers, makes

[Mr. Edwards.]

that decision. I am a little afraid that a man who approaches that board claiming exemption as a conscientious objector goes to bat with three strikes against him. Are we being quite fair in this respect? To determine a man's medical fitness we employ medical advisers; to pass upon his engineering and trade qualifications we have boards of men who have spent their lives at this work and are competent to judge. I suggest that in matters involving conscientious scruples and objections founded on religious convictions, the ordinary civilian board may lack the requisite background and training to appreciate fully the problem upon which they are to pass judgment. It seems to me that men whose life work it has been to deal with problems of religion and conscientious scruples, or the reverse, might well be added to the board when it is required to pass judgment on a Canadian citizen who comes before it asking for special consideration on the grounds of conscientious objection. Ministers of the gospel are familiar with such matters, and one, if not two, might well be included in a board when it is required to pass on cases involving religious or conscientious scruples.

I commend to the favourable consideration of the committee and of the government, first, that boards dealing with conscientious objectors or those claiming on such grounds should be differently constituted from those dealing with national selective service under other conditions; and, second, that it should be possible to find some place in the Canadian army, navy or air force where a person, despite conscientious scruples in regard to the one matter of taking life, can make his contribution, as is done in the United States.

Mr. McIVOR: I should like to ask the minister how many of the men who tried to escape from internment camps are now at large, if any are at large.

Mr. RALSTON: I think there is only one; he was last heard of on the other side of the ocean.

Mr. McIVOR: That shows two things, first, that the old soldier who wanted to get into the war and could not, on account of his age, has given outstanding service. To think that of all those who were interned on this side, only one is at large, and perhaps not even that one! It shows, too, that the Germans and Italians are not quite as clever as the British or French who can escape from a German camp, get away with it and get back into the war again.

Mr. NOSEWORTHY: There were one or two classes of people to whom I wished to refer, not at all by way of criticism of the government's policy, but because I question the wisdom of the course we are following at a time when man-power is badly needed. Reference has already been made to the refugee internees of whom the minister spoke. My information is that there are still a considerable number of these people whose history has been checked and with regard to whom there is no reason to believe that they should not be freed from internment and put to useful work. There are also, I am told, some who were released for a period of time and given jobs and who were taken back to these internment camps when the specified period of employment stopped. I have been told by people who have been in close touch with this question that a number of these people are being kept in these internment camps for the simple reason that the camp must be kept in operation. You cannot have a camp in operation and officers employed unless you have internees there. I have heard that from public-spirited citizens who have made a close study of the refugee problem. I think the minister might check that.

Then, concerning the conscientious objectors, I have had considerable correspondence with the Department of Labour, but very little satisfaction. I know personally two young men taken from Toronto university on the ground that they were conscientious objectors who would not go into the killing branch of the army, though they are quite willing to serve in any other capacity. One of these was a second year medical student and the other a third year medical student. They have asked to be permitted to do work in hospitals, orderly work or something of that kind, where their services can be used. I have correspondence from another, a graduate scientist, who is anxious to give his services in research work or in any other way in which he can be used, except to do actual fighting in the army.

There is another class, a religious group, who not only refuse active service but refuse alternate service, and they are sent to gaol. I have met a number of them, both before they were sentenced and afterwards. My story from their relatives is that they are put in solitary confinement for a given period, then brought out and asked if they are willing to join the army, and if they are not willing they are put back in solitary confinement. Some of them would be willing to serve in essential industry or on farms if the government saw fit to release them for that purpose. The one freedom they want is to be permitted to preach the religion of their choice as they see it and believe it. Those I have known personally are harmless. One of them, for instance, was a railroad mechanic doing an excellent job on the railway. We take him and put him in solitary confinement, because, by reason of his religious scruples, he will not go into the army or into one of the alternate services. It seems to me that by using some intelligence we could utilize this man-power to better advantage without affecting the war effort in any way. There are these three classes, the class of refugee internees and the conscientious objectors. I am collecting more information on these three types of individuals. I am confident that these boys should be given service of some kind instead of cleaning up brush in an alternate service camp as at the present time. There are the conscientious objectors who have been sent to gaol. I wonder whether something can be done in this regard.

Mr. MacINNIS: I support the hon. member for Calgary West (Mr. Edwards) and the hon. member for York South (Mr. Noseworthy) in what has been said about conscientious objectors. I think the attitude that is adopted toward these conscientious objectors is not a correct one. We first made provision for conscientious objectors, and then we treat them as if they had violated the law. We treat them in some respects as criminals. Most conscientious objectors I have known are a very high type of citizen. We may not agree with their point of view or the attitude they take in the national emergency; nevertheless they are men of the highest character. I was impressed with this fact a few days ago when I got a letter from a conscientious objector who worked in a forestry camp in British Columbia. He told me that the treatment he received in the camp was everything that could be desired, that neither he nor any of the others had objections or could find fault with it. But this is what he said: "We feel that at this time when man-power is so badly needed we are really not doing very useful work here. Taking a long point of view, this forestry work may be very desirable, but it is not work that should be done now when there is essential work that we should be doing, which the country needs far more than this." He suggested that they should be transferred to agricultural work. In my opinion, the hon. member for Calgary West put the case

very well indeed. We should try to utilize the services of these men in the interests of the country, and not be swayed by prejudices and intolerance. I know that some of the members of the boards investigating these cases, whatever their qualifications may be in other walks of life, certainly have not the proper qualifications to consider the cases of persons who are conscientious objectors. I believe the minister, in so far as he is able, will give the matter his attention. I support most heartily the point raised by the hon. member for Calgary West.

Mr. STIRLING: Are these conscientious objectors not now being used on useful work within the parks?

Mr. MacINNIS: To-day work within parks is not necessarily useful work, when the agricultural districts are requiring men, and when we are taking men out of the shipyards, and from many other kinds of work, to put them on the farms. To keep men in the parks filling up holes, then digging the holes again, and then filling them up is not making a proper use of man-power.

Mr. STIRLING: The hon. member disagrees with the kind of work in which they are engaged?

Mr. MacINNIS: Yes, at this particular time.

Mr. ADAMSON: I was glad to hear what the minister said respecting the possible utilization of persons—even in the armed forces—despite their being enemy aliens. As the minister may be aware, I have repeatedly disagreed with the policy of the government, and particularly that of the Department of National Defence, which operated on the premise that because a man was an alien, even though he might be naturalized after a certain period, there was no possibility of his being used in the armed forces.

I was instrumental in getting into the army one young man whose father was a German. He did extremely well, and was recommended for a commission. It was discovered eventually that he was of German parentage, and an attempt was made to have him discharged from the army. I am prepared to believe that that young man, as well as many others, was as loyal a Canadian as any hon. member in the house. The fact that a father happened to be born in Germany is no reason for damning a second or third generation.

I emphasize the point that after due investigation has been made—and we cannot be too careful—these people should be accepted. The simple basis of nationality is a false premise. It is wrong and even undemocratic to prevent a young man from fighting for his adopted country, if he chooses to do so. A number have wished so to do, but as a result of the present regulations they have been prevented.

Elsewhere I have seen men whom I have known to be Germans, working in the imperial forces, and performing extremely valuable and confidential tasks. I was delighted to hear the minister's statement to-night, and I hope he will see to its enforcement in the department.

The forgotten man in the armed forces to-day is the man engaged in internment operations. I was glad to hear the hon. member for Fort William mention the veterans guard as being among those in charge of internment operations. There is no job in Canada as trying, as exasperating or as objectionable as looking after prisoners. And of all the prisoners the Germans are the most objectionable. Looking after them is a thankless and miserable job. The only thing that can happen to an internment guard is that he collects abuse, in the event of an escape. A hue and cry goes up, followed by a court of inquiry and occasionally a court-martial.

There have been escapes, and probably there will be more of them. We cannot help having some, when we are dealing with as large a number of interned prisoners as are now interned in Canada.

I think the minister should emphasize the fact that there have been very few escapes in Canada, whereas on the other hand, in respect of our fellows, I will not mention any number, but will say that at times there are hundreds of members of the British armed forces loose in enemy territory. I mention that only by way of comparison with our effort. I believe we have lost only one man. Von Werra secured a boat, crossed the St. Lawrence river and got back to Germany.

Mr. RALSTON: And even he was not lost from a camp.

Mr. ADAMSON: No; he was lost from a train, and was subsequently killed on the Russian front. It cost the German government $25,000 for Von Werra to break his parole. He is the only one who got back to Germany. On the other hand, we read stories as to the numbers who have escaped, after being taken prisoners at the Dieppe and other operations.

The veterans' guard has to put up with the abuse of these sullen prisoners. A particularly objectionable feature was the unfortunate practice of manacling prisoners. This is the unfortunate and unhappy job he has to

do. But he is doing it efficiently, and I pay tribute to him for a job being performed under difficult circumstances.

Mr. FRASER (Peterborough West): Does the amount of $4,595,535 cover food and attendance? I ask this question because many people have asked why the German prisoners in Canada do not need boxes of food to keep them well fed, whereas our troops who are prisoners overseas have to have them to keep alive.

Mr. RALSTON: Was the hon. member asking about operating expenses?

Mr. FRASER (Peterborough West): All operating expenses, including food and administration. Then, of course, we must include the pay to the internees, as well. I understand it comes from Switzerland.

Mr. RALSTON: Yes; for all except officers.

Mr. FRASER (Peterborough West): Since a number of these internees have been captured by the British, does the British government pay any part of the expense?

Mr. RALSTON: Yes. I am not in a position at the moment to disclose the financial arrangement with the United Kingdom, but there is an arrangement as to their contribution.

Mr. GREEN: The hon. member for Calgary West said that in these prison camps the nazis are in command, that they have their own gestapo and so on. Would the minister say what system is followed in organizing these camps, and whether it is a fact that the Germans in the camps practically control the whole organization?

Mr. RALSTON: There is a spokesman in each camp.

Mr. GREEN: He is a German?

Mr. RALSTON: It would depend upon the set-up in that camp; I suppose he would represent the majority. Endeavour has been made to segregate those of different tendencies and types particularly civilians. You will remember that this came up some time ago in connection with the Fredericton camp. The nazi group as far as possible are segregated from the anti-nazi group. That was the situation which arose in the Fredericton camp, which brought about the alleged riot which was spoken of here some time ago.

Mr. GREEN: The situation is that the prisoners themselves have practically complete control within the wires?

Mr. RALSTON: Not complete control. They have an organization whereby one man speaks for them and is responsible for—I was going to say their good behaviour, but that is hardly the right expression. A communication to him is regarded as a communication to the prisoners in the camp; a warning to him is regarded as a warning to them; if the arrangements he has made are not carried out then the necessary punitive, remedial and disciplinary measures follow. As my hon. friend knows, the guards are closely in touch with the prisoners in the camp, who are given a certain amount of freedom inside; that is to say, they are not harassed continually if they are behaving properly. They are given a certain amount of autonomy in connection with their day to day arrangements. Their parades are at a certain time; they are out during certain hours; their meals are served at certain hours; roll call is at certain hours, but with regard to what they may be doing at a particular time, that can be largely arranged by themselves. The guards do circulate through the inclosure as frequently as may be necessary in order to see that no untoward event is taking place, and endeavours are made to check any attempts to escape by tunnelling and all that sort of thing.

Mr. GREEN: Who is the director of internment operations; who is in charge?

Mr. RALSTON: Colonel Streight.

Mr. GREEN: Then how do the veterans guard fit into the picture?

Mr. RALSTON: They have full charge with regard to the guarding arrangements of the camps. They are distributed all over Canada, but within the district they are under the district officer commanding, whoever he may be. The guard is just like a detachment of infantry or any other part of the Canadian army which is sent to a particular place to do a particular job.

Mr. GREEN : Are they under the director of internment operations also?

Mr. RALSTON: No; the guard are under the district officer commanding. The director of internment operations is the liaison with External Affairs, and has particularly to do with seeing that international arrangements are carried out with all the incidents which deal with the maintaining of the Geneva convention respecting prisoners of war. The director of internment operations is not directly responsible for the guarding of the prisoners or for their security; rather he is the headquarters officer having supervision over the

entire operation. The district officers commanding are the men responsible for the actual guarding of the camps.

Mr. BOUCHER: Did I understand the minister to say that this amount of $8,430,895 covers all expenses of internment camps, including food, clothing and lodging of the internees; maintenance of the institutions, pay of the guards and administration, except in so far as international contributions are concerned?

Mr. RALSTON: That is so.

Mr. GREEN: In a large camp where there are perhaps ten thousand nazis, would the position be that the ruler of that camp within the wires would be the nazi leader, who would have complete control of the ten thousand prisoners?

Mr. RALSTON: I do not want to say "complete control". He looks after the domestic arrangements, shall I say, among the prisoners themselves, with regard to their comfort and matters of that sort. He has no control in the sense of being able to order the prisoners to do certain things. He is rather a liaison officer between the camp commandant and the prisoners.

Mr. GREEN: If the camp commandant wants anything, he deals with the nazi leader?

Mr. RALSTON: That is so, if he is the camp spokesman.

Mr. DOUGLAS (Weyburn): I understand that many of these internees are sent over from Great Britain to be placed in these camps, and that many prisoners of war are sent here as well. Does Great Britain make any financial contribution toward the cost of these camps?

Mr. RALSTON: Yes. I answered that question a moment ago. I prefer not to disclose the terms of the financial arrangements, but there is a very substantial arrangement, as a matter of fact, in regard to both capital and operation.

Mr. DOUGLAS (Weyburn): Would the minister also indicate what pay is given? I understand the prisoners of war cannot be made to work but, if they volunteer to work, they are paid twenty cents a day extra. Is that correct?

Mr. RALSTON: I think it is twenty cents a day.

Mr. DOUGLAS (Weyburn): What pay do they get if they are not doing any work, and what pay is given the officers?

Mr. RALSTON: Under the Geneva convention officers receive from the power in whose custody they are, certain pay and allowances, while other ranks are paid small sums by their own government through the protecting power. Other ranks who work are paid twenty cents a day. I cannot give my hon. friend the rates at the moment.

Mr. ADAMSON: One of the causes of friction in the past has been the fact that the responsibility of the district officer commanding started at the wire, while the responsibility of the director of internment operations ended at the wire and began in the compound. I know this is a matter of international arrangement, but there seemed to me to be a certain amount of divided authority, that internment operations looked after the prisoners until they escaped, and that immediately they escaped it became the job of the Canadian military authorities and the veterans' guard, under the district officer commanding. I know that matter has been brought to the attention of the minister on previous occasions, but this has been one of the difficulties in connection with internment operations, and there have been cases where the military authorities have not operated inside the compound as they might have, had there not been this dual authority. Has the minister any information as to what is done in other countries? For instance, what do the Americans do in this regard?

Mr. RALSTON: I think my hon. friend is mistaken with regard to the dual responsibility. The Department of National Defence, under the new arrangement, has absolute responsibility except in one aspect; namely with regard to external relations, which are handled through the Department of External Affairs. In all other respects the Department of National Defence is responsible. As I pointed out, the director of internment operations is a headquarters staff officer at national defence headquarters. He does not have executive power in the sense of allocating troops here, there and the other place. Those troops are allocated by the adjutant-general to the officer commanding the district in which the particular camp is located. There is no such thing as divided responsibility. The hon. member suggested that the military authorities go to the wire and the commissioner of internment operations has jurisdiction inside. That is not correct. The military authorities have complete jurisdiction. The guards are under the Department of National Defence and under the district officer commanding, and are responsible for both interior and exterior

security. The order in council is that the entire responsibility for prisoners of war, enemy aliens and other internees is transferred to the Department of National Defence.

Mr. ADAMSON: When was that passed?

Mr. RALSTON: One was passed on November 19, 1942, and another on January 20, 1943. The latter order in council provided for the transferring of refugees as well as prisoners of war. The Department of National Defence became responsible for guarding, discipline, the censorship of mail, the welfare of prisoners, internees and refugees, and the maintenance and operation of all camps. There was what I regarded as some divided responsibility, but that has been cured.

Mr. ADAMSON: That answers my question. The camp commandant is responsible to the district officer commanding.

Mr. GREEN: Has the director of internment operations any authority over the various camp commandants?

Mr. RALSTON: He has not.

Mr. GREEN: He has no right to move them about or discharge them or do anything of that kind?

Mr. RALSTON: No. The director of internment operations as an officer of the adjutant-general's branch has the right to go to the camps and reports direct to the adjutant-general. The usual practice is for him to consult with the district officer commanding, since he is in the district. He acts almost in the capacity of an inspector-general in regard to matters of security and the carrying out of the Geneva convention.

Mr. ADAMSON: Are representatives of the International Red Cross and the international Y.M.C.A. allowed inside the camps as well as representatives of the protecting power, the Swiss government?

Mr. RALSTON: The protecting power has the right, and the others are allowed in by mutual agreement with the detaining power.

Mr. DOUGLAS (Weyburn): What pay is received by officer prisoners? Is it correct that they are paid a percentage of what they would receive if they were serving in their own army? Should they receive a promotion while a prisoner, does that automatically increase the pay which they receive from the Canadian government?

Mr. RALSTON: They are paid the amount agreed upon as between the German government, if they are German prisoners, the United Kingdom government and the Canadian government. They may receive a promotion if intimation comes through their government or the protecting power.

Mr. DOUGLAS (Weyburn): Does that apply in the same way to Canadian prisoners of war in Germany? Do they receive an increase in pay in the event of promotion?

Mr. RALSTON: It is not certain.

Mr. POWER: We cannot get definite information on that point. I have been trying to get it for the last eight months.

Mr. DOUGLAS (Weyburn): Should we not have a quid pro quo in regard to that?

Mr. RALSTON: We have been trying for some time to have a quid pro quo in connection with prisoners of war.

Mr. JOHNSTON (Bow River): If a German prisoner receives a promotion do we have to increase his pay?

Mr. RALSTON: By agreement, if the agreement refers to the rank, the pay is increased.

Mr. HANSELL: I do not think the matter of conscientious objectors and their internment has been cleared up entirely.

Mr. RALSTON: Conscientious objectors are one thing, and internment is another. We have been somewhat confused in the discussion. The hon. member for Calgary West (Mr. Edwards) was really discussing a matter which was outside the terms of this resolution entirely, while the hon. member for York South (Mr. Noseworthy) was discussing something which was within the terms of the resolution. He was discussing those who are interned, and that is part of this vote. I have no objection under the proper circumstances to discussing the matter of conscientious objectors, but I do not think this is the item under which it should be discussed.

Mr. HANSELL: I should like to know just where I could bring in that discussion.

Mr. MACKENZIE (Vancouver Centre): Under the labour estimates.

The CHAIRMAN: Shall the item carry?

Some hon. MEMBERS: Carried.

The CHAIRMAN: The next item is dependents' supplementary grants fund, $1,285,000.

Mr. JOHNSTON (Bow River): I believe this is the item under which we can discuss assistance given to wives who have been deserted by soldiers. I brought a case to the attention of the minister the other day, and he said he would review the matter and make a statement to the house.

Mr. RALSTON: The chairman of the dependents' board of trustees tells me that the case submitted by my hon. friend is being examined. He is right in assuming that it can be discussed under this item.

Mr. JOHNSTON (Bow River): I took the matter up with the department separately, but I was wondering if there was a breakdown of this particular case.

Mr. RALSTON: No.

Mr. GILLIS: I am interested in a matter similar to that brought up by the hon. member. The dependents' board of trustees is not permitted to grant an allowance unless the dependent is receiving pay and allowance. When a man goes absent without leave and is away for the period covered by the regulations, his dependent's allowance is cut off and, if it is a wife, she cannot receive any assistance from the dependents' board of trustees. I ask the minister to see that the functions of this board are extended so that they may give assistance to these women. There are many cases across Canada, and a sad situation is being created because this board cannot give assistance to women in this position.

Mr. RALSTON: After the three months.

Mr. GILLIS: That is as I understand it.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Tuesday, June 1, 1943

The house met at three o'clock.

RADIO BROADCASTING

CONCURRENCE IN FIRST REPORT OF SPECIAL COMMITTEE

Mr. J. J. McCANN (Renfrew South) presented the first report of special committee on radio broadcasting, and moved that the report be concurred in.

Motion agreed to.

PRIVILEGE—MR. POULIOT

REFERENCE TO ARTICLE IN OTTAWA "JOURNAL" OF MAY 31

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, I rise to a question of privilege. I hold in my hand the five o'clock edition of the Ottawa *Journal* of yesterday, on the front page of which the member for Témiscouata is given equal precedence with the united nations. Of course the article is with regard to the exercise of his unquestionable right as a member of this house to express his views and also those of his constituents. Some calculations have been laboriously made by the skunk kittens of the *Journal's* tycoons with petrifying hearts and softening brains, and they are all wrong. For instance, they say that I have been speaking for 20 pages in the first place, then 30 pages before the Easter recess, and then 64 pages more, which makes a total, they say, of 94 pages, and they repeat that total three times. Now 20 plus 30 is 50, and 50 plus 64 is 114. Not only is their calculation wrong, but they also say that "it takes 34 other members to equal Mr. Pouliot's wordage." Here again they are wrong, because I have noticed that in the present discussion some members have spoken four lines, and I do not know how many times four lines is more than silence, more than naught. It is pretty hard to make that calculation.

I do not contend, sir, that I have spoken for an average of 34 members. I have expressed my views. As one member from Montreal said not long ago, the members from Quebec province who were elected at the last election were expressing in this house the views of the province. I have been speaking, not for 34 other members, but for 160 members who have not uttered a word since the beginning of the session, and if other members were exercising their rights as I do I would certainly not take so much time. But I deny anyone the right to say what the *Journal* said.

A great writer, Homer, in his "Iliad," said—

Mr. CRUICKSHANK: Get on the wheat committee.

Mr. POULIOT: That is a book which the hon. member for Fraser Valley (Mr. Cruickshank) ought to read. It is a classic. Homer said of one of his heroes: *Palletai itor ana ta stoma* or "My heart leaps to my lips." The *Journal* editors or correspondents take so much space for the member for Temiscouata that they cannot express the deep feelings they have for those members who say nothing. They are not fair to the members whom they admire for their silence. They should take less time on me and devote more time to the members they admire for saying nothing in this house, thereby fulfilling their duty in a way that is approved by the *Journal*, the board of censors, the wartime information board and the press liaison officers of all the war departments.

FEED GRAINS

GOVERNMENT AID IN RESPECT OF PRICES AND LOCAL STORAGE

On the orders of the day:

Mr. M. C. SENN (Haldimand): Just before coming into the house my attention was drawn to an article in the *Globe and Mail* regarding the movement of western grain east. It is a comprehensive statement. One matter to which it refers is, I think, the crux of the whole situation, and that is the price of feed grains. Before seeing the article I had a question framed and I am going to put it to the Minister of Agriculture. It is as follows: Owing to unfavourable seeding conditions throughout Ontario and the consequent certainty of a shortage of feed grains, resulting in high prices therefor, farmers are disposing of their brood sows in alarming numbers. Will the minister take into consideration the advisability of issuing a statement giving assurance that feed grains may be obtained at prices which will encourage producers to keep their breeding stock?

Hon. J. G. GARDINER (Minister of Agriculture): The present intention of the government and, I think, the policy for the year is that the same assistance will be given as was given last year, and there is under consideration at the moment some plan by which it is hoped we shall be able to encourage the storing of grain during this summer by feed merchants and others in order to have it available next winter.

Mr. ROWE: What about the price?

Mr. GARDINER: The price, of course, will be maintained on the same basis as it now is; that is, the price as established under arrangements which have already been made by the Minister of Trade and Commerce and, I think, have already been announced to the house. That is, the price—the ceiling price—as it was last year is maintained.

Mr. SENN: I do not want to pursue the matter too far, but the difficulty is that farmers are disposing of their breeding stock in very large numbers, and in view of the need to keep up our hog production, some assurance should be given to agriculture.

Mr. GARDINER: We will see that a statement is put out in the press indicating just what are the facts with regard to the feed situation.

WHEAT

QUESTION AS TO REQUEST FOR INCREASED INITIAL PAYMENT

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): I desire to direct a question to the Minister of Trade and Commerce. Has the minister received in the last two or three days a request from the central board of Canadian Cooperative Wheat Producers in the form of a brief, requesting that the initial price paid by the wheat board be increased by ten cents a bushel in order to bring it to one dollar per bushel basis Fort William? If so, has he given serious consideration to the matter, and will he have a statement to make within a few days?

Hon. J. A. MacKINNON (Minister of Trade and Commerce): The answer to the first question is, no. I think that answers also the second question.

Mr. PERLEY: The minister has not received any such request?

Mr. MacKINNON (Edmonton West): No such request.

PERMITS FOR EXPORT OF COARSE GRAINS

On the orders of the day:

Mr. T. C. DOUGLAS (Weyburn): Will the Minister of Trade and Commerce inform the house why no permits are required by those exporting feed wheat? The minister will remember that he told the house that permits were being required for the export of coarse grains. According to an answer he made yesterday, no permits are demanded for the export of feed wheat, thus enabling those who export it to make quite a profit out of the differential between Canadian and United States prices.

Hon. J. A. MacKINNON (Minister of Trade and Commerce): I do not think that the inference the hon. member draws is correct. I shall look into the matter and bring down an answer.

SEED POTATOES

PRICES, ACREAGE PLANTED, AND SUPPLIES

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): I desire to direct a question to the Minister of Finance. He indicated, I understood, the other day that he would give the house a statement pertaining to the prices of seed potatoes in various parts of Canada. Yesterday he did not do so, perhaps because he did not under-

stand that the request was urgent. Is he able to give the house to-day an account of the prices of seed potatoes prevailing in various centres throughout Canada?

Hon. J. L. ILSLEY (Minister of Finance): I took that matter up with the wartime prices and trade board and they agreed to wire the various cities to try to get the information. They cannot get it immediately; it will take a few days to obtain it, but when it is procured I will give such information as I get.

Mr. BLACKMORE: May I ask the minister one or two more questions bearing on this very important matter of the price of seed potatoes? Can the minister tell the house how many potatoes are in storage in Canada? What I wish to know is whether the wartime prices and trade board or any food supply board or other agency that has this matter in charge, have any idea how many seed potatoes or potatoes of any kind are in storage. It is important that we should know how large a quantity of potatoes is available or can be made available to people who may plant potatoes.

Mr. ILSLEY: I believe the agricultural statistics branch have some record monthly of the quantities of potatoes in the country. Beyond that I do not know what statistics are available.

Mr. BLACKMORE: May I ask the minister one more question. Has the government gathered any information which would indicate the number of acres of potatoes that are planted in Canada? The parliamentary assistant to the minister issued a statement the other day in which he told us how many they planned to plant. I wonder if they know how many are reported to have been planted.

An hon. MEMBER: It is too early.

Hon. J. G. GARDINER (Minister of Agriculture): The information with regard to these matters is gathered for the Department of Agriculture, and the latest reports I have received are that the acreage going into potatoes this year is considerably higher than last year, and higher than we anticipated at the time the conference was held, in December. I am not able to give the exact figures; I can bring them down to-morrow or at a later date.

BEER

EXPORT BY CANADIAN BREWERS FOR BRITISH TROOPS IN WAR THEATRES

On the orders of the day:

Mr. THOMAS REID (New Westminster): I should like to direct a question to the Minister of Trade and Commerce. It arises out of statements made by the Rev. Andrew Roddan, of First United church of Vancouver, that 800,000 cases of beer were being exported every month by the brewers of eastern Canada to North Africa, and that valuable shipping space was likewise being used for this purpose. My question is, first, what shipments of beer have been made each month, and whether any such shipments made are for the Canadian government, or for the British government; second, who provides the shipping space?

Hon. J. A. MacKINNON (Minister of Trade and Commerce): The hon. member informed me that he was going to ask this question to-day and I am prepared to give an answer. I just briefly repeat the main points of the statement I made several months ago dealing with this matter.

First, what beer is purchased is bought by the United Kingdom government through the British Navy, Army and Air Force Institute. Second, the beer has been shipped to war theatres on vessels wholly under the control of the United Kingdom government. Third, the Canadian government has nothing whatsoever to do with this transaction, in regard either to purchasing or to shipping, except that, on the request of the United Kingdom government to ship beer to desert battle fronts and elsewhere, my department, through the export control permit branch, automatically grants export permits.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Monday, May 31, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

B—Sundry services.

Dependents supplementary grants fund, $1,285,000.

Mr. GREEN: Has the minister the answers to the questions I asked him?

Mr. RALSTON: As soon as this item is disposed of I shall put on the record what answers there are.

Mr. GILLIS: When the committee rose last night I was making some inquiries with respect to the dependents' board of trustees. I should be glad if the minister would indicate just what the machinery of the board consists of. What is the administrative body that functions in Ottawa? How many of the com-

mittees are set up across the country, and what machinery is provided to make contact with these committees? In Nova Scotia there is only one committee functioning under the dependents' board of trustees. That committee sits in Halifax and there is no one in the province that I know of, apart from a few social service workers, who has any idea to whom to appeal under a given set of circumstances. If this body is to function efficiently there should be at least a representative of it in all the large centres.

Another thing. The secretaries of the veterans' organizations in their respective towns and communities could very well be utilized in making the necessary investigation where an application is made for a grant under the dependents' board of trustees. They are familiar with the line of work and are well known in the communities, and they can be depended upon to make a fair recommendation. If this particular grant serves any purpose at all, there is one class of people that should be brought under it, and that is the women in Canada with families whose husbands go absent without leave, either in this country or overseas. Regulations have been extended to cover the matter up to a certain point. While a man is under apprehension the allowance is carried on for three months, but there are a large number of women in Canada who have been faced with the necessity of having their allowance discontinued. This particular class does not come under the dependents' board of trustees, because I understand that the object is simply to augment the allowance where there are extenuating circumstances, and when the allowance is not applicable the dependent will not be brought under the board of trustees. I should be pleased if the minister could make a statement as to the machinery and what the possibilities are of utilizing the secretaries of the veterans' organizations throughout Canada, in their respective communities, to carry out investigations. If an application is made from Sydney, someone has to come from Halifax to look into the situation and weeks are lost in investigation; whereas, if the veterans' branch secretaries were utilized, a telegram or a telephone call would clear the matter up in twenty-four hours.

Mr. RALSTON: I have endeavoured to put on the record the general outline of the organization. I did so early in the discussion, but on this occasion I may repeat that the dependents' board of trustees itself consists of nine persons selected across Canada who, I think, are fairly representative and form a cross-section of those who take an interest in the welfare of dependents. The Canadian Legion is represented, the Department of Pensions and National Health is represented, there are French-speaking and English-speaking representatives on the board, and so on, and there has been no complaint of any kind with regard to the constitution of the board itself. The board functions through committees in different centres. I have here a list of the centres in which the committees in each province are located: Charlottetown; Saint John; Moncton; Halifax; Quebec; Montreal; Kingston; Ottawa; Toronto; Hamilton; Peterborough; London; Windsor; Sudbury; Port Arthur; Winnipeg; Regina; Saskatoon; Calgary; Edmonton; Vancouver; Victoria. Each committee covers a specific territory. In some cases it is the province, in some cases the military district and in some cases a smaller area. The membership of the committee is not confined to residents of the city in which the office is located, but wherever it is appropriate it includes members from outside points.

My hon. friend, I believe, is interested in the procedure which is followed and the opportunity which a particular dependent has for making application and having that application considered. As I understand it, the procedure is this. In the first place a notice has been sent to every person receiving dependents' allowance in Canada advising of the existence of the dependents' board of trustees and, as well, of the location of the offices of the board, and advising further as to the procedure which they shall adopt should a situation arise in which they feel that the services of the board can be of benefit. In addition to that the Canadian Legion and the welfare agencies in each province and in every community know of the operations of the dependents' board of trustees and are prepared to help to forward the applications and the investigation of any case, with a statement of the circumstances. I noted my hon. friend's suggestion with regard to investigations. Naturally—and I think he will agree with me—one does not want to multiply the number of investigating agencies. There is nothing worse than that from the point of view of morale, because it might easily give a wrong impression to a prospective recipient as to the attitude of those who are dealing with his or her case. Emphasis is put on the fact that these agencies, whatever they are, are not for the purpose of doling out charity, but to help applicants to show their right to assistance under the regulations which the board administers. I have reason to feel that there has been a general measure of approval of the method and general acceptance of the fact that the board is sincerely trying not to chisel on dependents, but, on the contrary, is endeavouring to

approach their cases in the spirit of assistance which the order in council intended. I have asked the chairman of the board, who is before me, with regard to Sydney, from which my hon. friend comes. There the dependent would have learned from the notice she received that her nearest local committee was located in Halifax; however, if he or she went to the Canadian Legion or to a welfare agency, they would be immediately put in touch with the committee. In this particular case there is a member of the provincial committee living in Sydney. Mr. Muggah is a member of that committee. I must say that I do not feel that we want to multiply organization too much. We want to be sure to get the meritorious cases, or those which are thought to be meritorious, presented to the board. The best test is that it has worked. It has not worked in the case my hon. friend speaks of, but as he realizes, that is not because of the organization of the board, it is because of the regulations to which he refers.

The provision is that if a man overseas is struck off strength because of being absent without leave, the absence having continued for three months, his pay is stopped and the dependents' allowance is suspended by the dependents' allowance board. The function of the dependents' board of trustees is to make supplementary grants, and there would be nothing to supplement where the dependents' allowance was suspended. Otherwise we would be giving a dependents' allowance to the dependent of someone who was not a member of the forces. The provision is that a man is struck off strength when he has been absent without leave for twenty-one days and his pay stops. But notwithstanding the suspension of the allowance, the dependents' allowance board considered that there should be some relief from the sudden suspension and they have adopted the procedure in overseas cases of making a new award to cover a period of three months to assist the type of case to which my hon. friend has referred.

I think what the hon. member has in mind is the possibility of the dependents' board of trustees considering the merits of a case like that. I do not think you can make a hard and fast rule. There might be a case in which you would say, "No, the dependents' allowance should not be continued any further even though the man has been absent only one month." There may be another case in which there were meritorious circumstances, where the character of the man was known and it was doubtful whether or not he had really intentionally deserted or gone absent without leave. Different situations might also exist in connection with the circumstances of the dependents. There might be a case of extreme hardship and another case where, although there had been a considerable reduction in the income, the situation was not such as to justify the payment of a grant.

All I can say to my hon. friend is that it is only by bringing up these cases that they are called to our attention. Perhaps the existence of a type of case is established. I will study the matter with the chairman of the board and my colleagues to see if there is any possibility of making a rule which would fit the particular type of case to which my hon. friend refers. I am always afraid of trying to fit an individual case, because very often hard cases make bad law. If there is a type of case which has merit, I shall endeavour to see if it is possible to meet it.

Mr. DOUGLAS (Weyburn): We are particularly interested in those who are entitled to assistance from the dependents' board of trustees. The board should be in position to grant this assistance as quickly as possible. The case was mentioned the other day of a member of the forces who was seriously ill in a hospital and whose dependent made application to the office of the board to secure transportation. In the agricultural areas particularly this would be a slow process to be followed by a woman who had received a telegram that someone belonging to her was seriously ill. By the time she made application to the office of the dependents' board of trustees and obtained her transportation, it might be too late. Some time ago I sent to the minister a copy of a resolution which had been passed by a farm women's organization in Saskatchewan and which I thought was worthy of consideration by the minister and his department. The suggestion was that where a man was seriously ill and word was being sent to his dependent, a transportation warrant should be sent along with the telegram. One can almost take it for granted that if the dependent is a long distance away she is not going to have the necessary money from her dependents' allowance and assigned pay to meet these transportation costs. If she has to make application to the dependents' board of trustees it may take too long. She will either have to borrow the money to go, or not go at all. I wonder if the minister has given any consideration to the possibility of having the transportation warrant accompany the telegram that goes out to a dependent informing her that a soldier is seriously ill?

Mr. RALSTON: I think that case is covered by the procedure which has been adopted. I am informed that when a hospital informs a dependent by wire that she is required because of the illness of a soldier, a duplicate telegram is sent at the same time to the dependents' board of trustees. The dependents' board of trustees, by wire again, immediately gets in touch with the local committee and has the committee get in touch with the dependent to ascertain just what is the situation with regard to transportation. The railway companies will accept a telegram from the dependents' board of trustees, or from the local committee as authorization for transportation. The only difference in this procedure from that suggested by my hon. friend is that he suggests that the provision of free transportation should be automatic. I am not prepared to go that far at the moment. I can conceive of quite a number of cases where there would be no need of providing free transportation to dependents. My hon. friend is assuming that all dependents are in the same financial position, but that is not so. I am sure that if the meritorious cases are taken care of, it will meet my hon. friend's suggestion. I did not know of this procedure when I spoke the other day about this matter.

Mr. DOUGLAS (Weyburn): The procedure outlined by the minister would work fairly satisfactorily in the more heavily settled areas, but in a great scattered province like Saskatchewan some considerable time might elapse between the sending of the wire by the board in Ottawa to the committee in Regina or Saskatchewan and their getting in touch with the dependent. The dependent might be three hundred miles away from either one of these centres. She might be living on a farm where there was no telephone; she might be in a community where there was not even a branch of the legion. It would be a very complicated procedure and would take a great deal of time.

Mr. RALSTON: My hon. friend is portraying Saskatchewan as a lot more primitive than it really is. I know there are great distances, but I do not think there are many places which are not within reach of a telephone. The railway station could be got in touch with, because the station from which the dependent would leave would be known to the committee. But my hon. friend is right in this: if the system does not work, it must be made to work. That is the principle that has been adopted. I have just inquired whether or not there have been any cases in which complaints have been made, and I find there have not.

Mr. DOUGLAS (Weyburn): They may not have been made to the minister, but the fact is that at a farm women's convention—this was not a convention of soldiers' dependents —the matter was brought up so frequently that they took the trouble to pass a resolution and I believe sent a copy to the minister. They sent a copy to me and I forwarded it to the minister. They thought that it was a serious problem. I was not emphasizing the distances in Saskatchewan, but it is a scattered province. Merely sending a telegram to the railway station does not mean that you will get in touch with the dependent who may be on a farm fifteen or twenty miles away. Furthermore the committee at Regina or Saskatchewan may not know anyone in the particular community who could give them information as to whether the dependent required transportation, and it might take some time to get in touch with the dependent.

Mr. RALSTON: The chairman of the board tells me that they use the postmaster or the clergyman or the priest or whoever may be able to get in touch with the dependent without delay. However, my hon. friend and I are at one in the matter of principle, and it is up to us to see that the details are worked out.

Mr. McCANN: When a new dependent arrives I think there might be a simplification of the procedure which is followed at the present time. It appears that the father of the new-born child has to make application to the board to have this member of the family added to the list of dependents. I know of instances where the fathers are overseas—

Mr. RALSTON: Overjoyed.

Mr. McCANN: —overjoyed and overseas, and of course at a time like that there is a good deal of extra expense. I suggest to the dependents' allowance board that they accept the certificate of the attending physician or a copy of the registration of birth, and that the child be given the dependents' allowance the same as the other children. That would do away with the long delay which must ensue when the application has to be made by the father, who may be overseas.

Mr. RALSTON: I will certainly note what my hon. friend has said. It sounds to me as though the evidence he suggests should be quite ample for the purpose.

Mr. JOHNSTON (Bow River): Am I right in understanding that the minister says arrangements will be made whereby the dependents of soldiers who have been away without leave for more than twenty-one days will be looked after?

Mr. RALSTON: I went as far as I could in that regard. I cannot go further than to say that I have made a note of the case; that I realize it is not covered by the regulations now; that I shall see what the merits are in regard to making any general regulation about it and, having seen that, having received recommendations and having consulted my colleagues, I will decide what should be done. That is all I can tell my hon. friend.

Mr. JOHNSTON (Bow River): I understand that the dependents' board of trustees has to do only with the dependents of soldiers, that it does not deal with the dependents of officers at all. I think some consideration should be given the dependents of officers. I have in mind one such dependent in the city of Calgary who made application to the dependents' board of trustees and was turned down, I am informed, on the ground that she was the wife of an officer. It seems to me that where the dependents, even of officers, are in need they should be considered by this board, but I understand that is not the case. Would the minister explain that situation?

Mr. RALSTON: That is so. Of course the dependents of officers receive allowances at rates higher than are paid the dependents of other ranks. These regulations do not apply to the dependents of those above the rank of warrant officer class 2. They apply to those up to and including warrant officer class 2, one reason being the different rate of dependents' allowance above that rank.

Mr. JOHNSTON (Bow River): Take the case of a captain's wife, for instance, who is in dire need, not receiving sufficient to properly maintain herself. Would that be given consideration by the board as a special case, or would it be automatically thrown out because the dependent happened to be the wife of a captain?

Mr. RALSTON: There are more difficulties in this connection than perhaps my hon. friend realizes, and I can mention one offhand: Hospital standards, for instance, and things of the kind which are constantly coming up. It is considered, generally speaking, that the higher dependents' allowance, plus the difference in pay received by the officer, create a situation in which the special provisions concerning the dependents' board of trustees are not required. My hon. friend will say that there is the odd case, and perhaps more than the odd case, of this kind. I can only tell him that I will look into it. As a matter of fact I remember one case of which I heard, but it was the case of a man who had been promoted from the ranks and I think the claim was with regard to an indebtedness incurred while his wife was receiving the lower dependents' allowance. I can only say to my hon. friend that I will examine the situation and see if there are any other grounds than those which I have mentioned for not including the dependents of officers within the provisions of these regulations.

Mr. MacNICOL: If a soldier is reported missing in action is the dependents' allowance continued without interruption, or is there an interval until the department finds out whether the man is alive or dead?

Mr. RALSTON: It is carried on for at least six months.

Mr. MacNICOL: Without interruption?

Mr. RALSTON: Yes.

Mr. FRASER (Peterborough West): I have a case of a soldier who just returned from overseas. Some four or five months ago his wife was taken ill and had to be rushed to the hospital. Her bills were paid partly by her friends and partly from her dependents' allowance. Is there any chance of that soldier getting any of that money back, or is there a time limit within which application must be made to the dependents' board of trustees?

Mr. RALSTON: I think the only limitation as far as time is concerned is the proviso that the man must be still in the service. I believe that is a case which would be considered by the board on the particular circumstances; I cannot go further than that. Cases of that kind have come before the board and assistance has been given.

Mr. FRASER (Peterborough West): Would it be covered if the soldier was in the service during the time his wife was in the hospital?

Mr. RALSTON: No. As I remember the regulations the person who makes the application must be the dependent of a soldier at the time the application is before the committee or the board.

Mr. GILLIS: I wonder if the minister could give us the number of applications received, and the number granted, by provinces.

Mr. RALSTON: I have the figures here, but at the moment they are not in the form in which my hon. friend wants them.

Mr. DIEFENBAKER: I should like to direct a suggestion to the minister in regard to article 102, subsection (g) of the regulations. I have always found the dependents' allowance board very fair in its administration, but of course it cannot go beyond the provisions of the law. This section provides that no allowance shall be paid or granted to the wife of a non-commissioned officer or man who subsequent to enlistment marries without obtaining the permission of his commanding officer. Having regard to the instances that have been brought to my attention I think this section is rather unfair in its general operation. I have in mind the case of a man who enlisted on June 22, 1940. At the time of his enlistment he said that he had been married on June 17, 1940. In Saskatchewan it is necessary to give notice of your intention to marry; then you must wait for a period fixed by statute before the marriage can take place. Apparently this man had given notice of intention on June 17 but did not get married until June 27, 1940. As soon as this fact was ascertained the wife's allowance was taken away, and she has not been in receipt of it since that time.

Mr. RALSTON: What was the date of the notice?

Mr. DIEFENBAKER: I shall send the minister the file, in full detail. I am just pointing out the circumstances. I received a letter the other day, dated May 20, 1943, which stated that if permission to marry is granted the woman in question, dependents' allowance may be reinstated. But until such permission is granted, no allowance may be paid to her. I submit that after a lapse of almost three years some provision should be made for removal of the penalization of the woman for having married the soldier without his first having secured his commanding officer's consent. Considering the other side of the question, if this soldier had what is commonly known as a common law wife, under certain circumstances she would be entitled to the allowance.

Mr. RALSTON: He must have lived with a so-called common law wife for at least two years before enlistment. That is the difference.

Mr. DIEFENBAKER: But, regardless of the period, there are circumstances under which a common law wife can receive an allowance. Here is a woman who is being penalized because of the infraction by her husband of military rules. This section could and should be amended so as to make provision that after a reasonable time, say a matter of three or six months at the outside, an allowance could be granted. That would seem to be proper, if we must penalize soldiers for marrying without the permission of their commanding officers. I make this suggestion to the minister. In my opinion a change in this connection is very necessary to cover what must be a considerable number of cases coming within the purview of this regulation.

Mr. RALSTON: If the hon. member will send the particulars to me, I shall make a note of them as indicating a type rather than an individual case.

Mr. GILLIS: Is it possible for the minister to obtain those figures by military districts?

Mr. RALSTON: I have just had the figures prepared. The total applications and reapplications are 42,017. The completed applications number 33,734—and when I refer to completed applications I refer to those in connection with which evidence is completed and a decision reached. Uncompleted applications, those in connection with which further details are being obtained or decision has not yet been reached, number 8,143. I have not the total number of cases in which the allowances were granted, but the total amount of grants stands at $694,214.63. Then, giving the hon. member some local information, I would point out that through the committee in Halifax city there have been 1,158 applications, 851 of which have been completed and 307 incomplete. The grants have amounted to about $13,000. Those are single grants. In addition there have been some recurrent or regular monthly payments.

Mr. DOUGLAS (Weyburn): Has the minister the figures for the other military districts?

Mr. RALSTON: If we have not the figures for the districts, we have them for each city or town in which a local committee is situated.

Mr. DOUGLAS (Weyburn): The information by local committees would be satisfactory. What does the minister mean by a completed case? Is that a case in which an allowance has been granted?

Mr. RALSTON: No, not necessarily. It means an application which has been dealt with—that is, a grant has been made or refused, or the application withdrawn.

Mr. DOUGLAS (Weyburn): What number of those applying were granted allowances?

Mr. RALSTON: I have not the number of cases. The chairman of the board has given me an approximate estimate of over seventy-five per cent.

Mr. DOUGLAS (Weyburn): That are granted?

Mr. RALSTON: Yes.

Mr. HANSELL: I am a little confused as to what is meant by the term "supplementary grants." I know the meaning of the word "supplementary," used in its ordinary sense; but if the minister will look at number 2 on the list he will find it deals with pay and allowances. Are dependents' allowances included in the first amount of $539,730,211?

Mr. RALSTON: Yes; the item for dependents' allowances has already been passed. The amount paid as dependents' allowances is included in item No. 2, pay and allowances. The hon. member will find a subsequent item for the dependents' allowance board: that is an administrative item, covering the cost of administration of the board. That item has also been passed. The item we are now discussing is the supplementary grants fund, a fund administered by the dependents' board of trustees.

Mr. DOUGLAS (Weyburn): Has the minister put on record the number of cases handled by each committee?

Mr. RALSTON: The number for Regina is 1,337, of which 1,187 were completed; and for Saskatoon, 1,766, of which 1,285 have been completed. The cash paid in Regina is $21,736.52 and in Saskatoon $30,821.60. That is for single grants, not including recurrent payments. There would probably be additional recurrent grants to dependents filing applications through these committees.

Mr. DOUGLAS (Weyburn): If the minister had a list of the number of cases handled by the other committees we would have some idea of the comparative service rendered. Perhaps he would put that information on *Hansard*.

Mr. RALSTON: I shall be glad to do so. The following is a list showing the total applications, and the completed ones, that is, those which have been dealt with:

	Total	Complete
Charlottetown	347	336
Saint John	1,332	1,127
Halifax	1,158	851
Quebec	7,652	6,967
Montreal	3,782	2,566
Kingston	708	529
Ottawa	1,887	1,616
Toronto	6,850	6,035
Hamilton	2,102	1,617
Peterborough	685	607
London	1,435	992
Windsor	571	374
Sudbury	719	491
Port Arthur	269	207
Winnipeg	2,829	2,530
Regina	1,337	1,187
Saskatoon	1,766	1,285
Calgary	1,377	1,090
Edmonton	1,439	1,088
Vancouver	2,618	1,510
Victoria	1,154	729
Total	42,017	33,734

Mr. GRAHAM: I know that the minister will not have this information but I think he will agree that there will be a tendency for dependents who reside in centres where the boards have representation to make greater use of and secure greater benefits from the dependents' board of trustees because they know where the board is located and their access to the board is very easy. With reference to the different points which have been named by the minister, how many of these applications arose in the city in which the board committee resides and how many in the surrounding district? It would be well if the chairman were requested to make a survey of one or two points to see whether the benefits are penetrating the countryside and whether the board's purpose is being fulfilled of distributing the benefits fairly among all dependents, not only in the larger centres but in the rural areas and small villages and towns.

Mr. RALSTON: The statistics asked for by my hon. friend are not available here but they are kept and they can be produced either in the form of a return or in some other way which would be convenient to the members. Notwithstanding the fact that the boards are located in the cities I am informed that there is a very heavy number of rural applications.

Item agreed to.

B—Sundry services.

Inspection board of the United Kingdom and Canada, $10,600,000.

Mr. MacNICOL: Has Canada full control over the inspection board of the United Kingdom and Canada?

Mr. RALSTON: No, it is a joint United Kingdom and Canada inspection board. The sponsorship of the board is joint with the High Commissioner of the United Kingdom and the Minister of National Defence of Canada. The Minister of National Defence in turn derives his powers in regard to the Canadian end from the governor in council.

Mr. MacNICOL: I would like to bring to the minister's attention a case I have had with the board. A gentleman in Toronto made application to the board in 1941 and sent to the board some carefully prepared testimonials which were important to him because they had been given to him by responsible persons and companies. He has never been able to have these testimonials returned to him. He was informed a little while ago that they were lost. To-day in conversation with an officer of the board I was informed that they cannot be found. It is gross carelessness to have such an inefficient filing system in the board, and I should be pleased if the minister would give this matter his attention and make inquiries about it. I will send him the correspondence I have.

Mr. RALSTON: I appreciate my hon. friend's bringing the matter to my attention. I have just spoken to the officer who is in charge of the administration of the board and he will have a check made, but I should like to get in touch with my hon. friend or with his correspondent to get a little more information as to the date.

Mr. GRAYDON: Is this sum of $10,600,000 contributed on an equal basis by Canada and the United Kingdom?

Mr. RALSTON: Roughly it is in proportion to the value of the material inspected on behalf of each of the two countries.

Mr. ROSS (Souris): I should like to ask a question with regard to the use of horses or cavalry in the army. I realize that the universal carrier is probably the best cross-country vehicle that we have in the armed forces, but I have seen articles in the press that the army council in Canada has considered the use of horses in this war. Some pictures have been shown to the members of the house at the instance of the government which indicate the recent extensive use of cavalry by the Russians to be feasible and effective. We have places in Canada, some on the Pacific coast and in Alberta, where it would be difficult for mechanized equipment to operate, and in view of what has been accomplished by the Russians with cavalry and horses in this war I should like to know what has been the decision of the army council regarding the use of horses in this war. Is there any possible use for them in the future, or has the day of the horse entirely passed? If there is use for them, it must be remembered that it takes time to collect and train horses. Many people are interested in this question.

Mr. GRAYDON: There is no rationing of oats and hay.

Mr. RALSTON: I was jokingly going to suggest that we are dealing with the inspection board of the United Kingdom and Canada, and that what my hon. friend has referred to is a horse of another colour. But since he has referred to it I would say that we have a small horse-driven unit at Petawawa and a limited organization in connection with that unit. The matter has been carefully considered from the point of view primarily, as my hon. friend will understand, of the saving in gasoline. I have not the figures here but it was found from that point of view the use of horse-drawn vehicles to any large extent except in camps where short turns could be made was not justified. I do not think I can say more. My hon. friend did not say it but I know it is in the back of his head that he has, as I have, the greatest respect for our old friend the mule. I do not think that in the last war there was any better transportation or traction facility than that particular animal.

Mr. CASTLEDEN: Would the minister give us the number of men employed by the board, where they are stationed and a summary of their activities? Is this $10,600,000 Canada's share, and if so what is the United Kingdom's share?

Mr. RALSTON: This estimate of $10,600,000 is Canada's share.

Mr. CASTLEDEN: Is it on a fifty-fifty basis?

Mr. RALSTON: No, it is in the rough proportions of the value of the material inspected for Canadian account and United Kingdom account. The number of employees on the board as of May 1 was 18,946. In Canada the total number of male employees is 5,839, and female, 12,547. That includes the administrative officers. In the United States there are 560 employees. The rest are in Canada. The service which the employees of the board give is to inspect all war materials of Canadian manufacture and some in the United States which are made for Canadian or British account except aircraft, ships and ship repairs, naval ammunitions, ordnance, naval equipment, naval electrical equipment, foodstuffs, medical and dental stores, fuel, and a few other odd items. I do not think I should occupy the time of the committee by going into detail. I assume hon. members have seen all over this country in the various plants the inspection staff of the joint board operating. They have served, it seems to me, as ably and as efficiently as any body in connection with the war effort. They are

not very much heard of; they are somewhat like the veterans guard of whom an hon. member spoke last evening; nobody knows very much of their activities; but I think Canada and the United Kingdom have reason to be very much satisfied with the effectiveness of the work they have done. Having regard to the terrific amount of munitions and supplies which have come off the lines in this country and also in the United States in the way of components, and the comparatively few instances of failures, it seems to me that the inspection board is entitled to a word of tribute and of appreciation.

It was in January, 1941, that the joint board began, although some of the inspection staff from the United Kingdom were over here considerably before that time. They had to build from the ground up, and build under conditions in which technical personnel were being required in the various industries just as much as they were for purposes of inspection. They have had the job of creating that organization, not only administratively, but technically, and of installing it and seeing that it worked in the various industries cooperatively with, and not combatively with, industry. I believe the results which have come from their work have been highly gratifying.

As members of one of the house committees know, manufacturers have themselves to a certain extent put in their own inspectors as well, I assume in order to preserve their own reputations and save time and labour by catching defects at an early stage. Duplication of inspection has lessened, I understand, to some extent as time has gone on, and in view of the mutual confidence which has developed in the inspectors of the board, and those of the manufacturers.

I do not think there is anything I can add to the discussion. The financial arrangements generally are satisfactory. The administration is carried on by the officers of the board without any interference on the part of the United Kingdom government or ourselves except in connection with matters of policy through Major-General Lock, the chairman, or Brigadier Howard, who is on the floor this afternoon. There has been a certain amount of capital expenditure, for instance, for proof ranges built in order to conduct tests, but the great bulk of expense is in connection with the operating departments.

Mr. ADAMSON: They operate the range at Burlington?

Mr. RALSTON: Yes.

Mr. ADAMSON: That is completely under the United Kingdom?

[Mr. Ralston.]

Mr. RALSTON: Under the joint board.

Mr. NOSEWORTHY: I have had two general criticisms from the management of plants I have visited regarding employees of this board. I do not know whether they are general or just local, or whether they have come to the minister's attention. First, managers have told me that in their particular plants employees of this board usually stop work and begin to prepare to leave the plant ten or fifteen minutes before quitting time, and that that has had an effect upon the regular employees of the plant, who are expected in the interests of production to stay at their machines until the last minute of their time. Second, several employees have pointed out to me or have shown the difference in the numbers of employees employed by this board for inspection as compared with the number of company inspectors in the same plant, and have intimated that in many instances there were more personnel than were required for the job. Are these just local conditions? Have they come to the minister's attention?

Mr. RALSTON: With regard to employees of the board getting ready to leave ahead of time, I am satisfied that that is a local situation, but it is one which of course cannot be permitted to exist, and, knowing the management of the board, I am sure they would not have it go on if it were brought to their attention. The policy is that the inspection staff shall stay till the last minute, the same as anybody else. If my hon. friend would care to give me the name of the plant to which the complaint refers I will see that it is transmitted to the board and investigated.

Mr. GRAYDON: Do the hours of these employees parallel in each case those of the plant?

Mr. RALSTON: Generally speaking that is the rule, that they work parallel hours. The administrative officer states that there are exceptions, and the exceptions he speaks of are where a plant may be working three shifts and the inspection employees may work only one, because it is obvious that they might inspect in eight hours what would take three eight-hour shifts to manufacture. But I can say this, for I know, that the strict policy of the board is that their inspections must keep up with the outturn so that there shall be no slowing down of production on account of inefficient inspection facilities.

In reference to the number of factory inspectors, there again I think that may be a local situation, and it must be owing to the fact that the particular manufacturer is not inspecting and does not purport to inspect and does not have to inspect with as much com-

pleteness as the employees of the inspection board. That is to say, he might make a more general inspection of materials, castings, components, and things of the kind, and—quite properly—leave it to the inspection board employees to do the final inspections. There again it would be appreciated if the name of the plant, without the name of the informant, could be brought to my attention, and I will see that it is dealt with.

Mr. NOSEWORTHY: As regards the minister's comment that it may be a local condition, I have visited several plants in different places where that situation has been brought to my attention.

Mr. RALSTON: About employment, or numbers?

Mr. NOSEWORTHY: Regarding the number of employees. On one occasion the employer of several thousands of factory workers, when I asked him why he did not report that situation, replied that if he were to do so the percentage of rejections in his plant would immediately increase.

Mr. RALSTON: I do not think that is quite fair. The board has no interest of any kind in rejecting material; what it wants to do is to get the material out and to get it to the troops. I know all the board well enough, from General Lock down, to be satisfied that that is their primary consideration.

Mr. FRASER (Peterborough West): There has been dissatisfaction among men and women working in different munitions plants in regard to the inspectors being able to take rest periods during the day, whenever they cared to do it, whereas the workers had to stay on the job. That is the case not only in one place but right across the country.

Mr. RALSTON: I am informed that they do try to conform to the work rules and the hours laid down by the plant itself. I have an idea that I know the plant which my hon. friend is talking about, and I can only surmise that there might be a chance for a lay-off until some piece comes through, and, instead of standing around the machines, they go away and sit down. I realize, of course, that morale might not be particularly enhanced by that action on the part of the inspection staff.

Mr. DOUGLAS (Weyburn): I should like to have some information with regard to the findings of the inspection board. Has the minister any data on the number of rejections; whether the percentage of rejections tends to increase or decrease; what arrangements are made with the firms manufacturing war materials, and, where those firms are responsible for these rejections, whether they are charged back to the firms or whether they are allowed a certain percentage of rejections and charged anything above that? As the minister no doubt knows, two trials have taken place in the United States in recent months, one three months ago and one now in process, in which two large firms have been charged by the United States government with the production of defective material knowing it to be defective. What has been the experience of the board in Canada wth regard to such rejections? Are they increasing or diminishing, and in the event of rejections being on the increase, what steps are taken by the board and the government to see that the firms in question are made to pay for mistakes which are attributable to their own carelessness or negligence? Further, what material has been accepted and later found to be defective or faulty when put into actual use? An answer to this question would show to what extent the work done by the inspection board has been useful.

Mr. RALSTON: As to the percentages of rejections, the committee realizes of course that it depends altogether on the particular piece of equipment under discussion. It depends also on the length of time during which the manufacture has been going on, because the longer a piece of equipment has been in production the more efficient the operation will become. In reference to the question of payment, that is to say as to what is done about rejections, a report is made to the Department of Munitions and Supply and payment depends entirely upon the contract which is made with the particular concern. It may be that they are operating on a cost-plus contract or on a contract which entitles them to a certain allowance on development, or it may be that they are operating on the straight basis of being paid for the actual usable machine which is delivered off the line. I am told that definitely the percentage of rejections is decreasing. I do not know that we should particularly pride ourselves upon that fact, because they ought to be decreasing the longer manufacturing has been going on. My advice is, however, that quality in Canada has not been surpassed in any part of the world, and that goes both for material and for workmanship. Manufacture and industrial experience have been extremely satisfactory compared to other countries, particularly where Canada has taken on such a variety of lines which were entirely new to Canadian industry.

Mr. DOUGLAS (Weyburn): Has the Department of National Defence found cases in which there have been acceptances of material which later has proved faulty or defective?

Mr. RALSTON: I was trying to recall anything of the kind, but I could not. I am reminded, however, of the Pickering plant, where there were defective cartridge cases, but those did not get to the Department of National Defence. I am told, though it has not come to my personal attention before, that there have been individual instances of a piece of equipment or perhaps a series of equipments reaching the national defence deparment and not standing up properly, but I am sure there have been no outstanding instances, because they would have come to my knowledge. I must say that the Department of National Defence and the officers have come to feel that they can pretty well take for granted, that a particular machine is up to specifications, and that if it has been designed to do a particular piece of work they need not fear that either the materials or the workmanship will fail to answer the purpose intended.

Mr. JACKMAN: Is there any difference in the set-up of the inspection board in the case of a privately-owned plant and in the case of a government-owned plant? It might be difficult to believe that some of the large arsenals which operate in the United States, in peace as well as in war, would have an additional inspection board belonging to the army or the navy pass upon the product of these plants. It seems to me that if the Department of Munitions and Supply turn out articles in one of their own plants in Canada their inspection should be sufficient without having a duplication by the Department of National Defence when the article is accepted. Why can you not rely on the Department of Munitions and Supply to turn out a product adequate to meet the requirements without having the national defence department carry out a duplication of inspection services in connection with the same article?

Mr. RALSTON: I think my hon. friend is under a misapprehension as to the position of the Department of Munitions and Supply in this regard. The Department of Munitions and Supply makes the contract and arranges to have the article manufactured; then the inspection board comes in, not for the Department of Munitions and Supply, but for the user, that is to say, the Department of National Defence, and makes the inspection. We have great confidence in the Department of Munitions and Supply, but naturally the user would prefer to have his own inspection, or at any rate an inspection more directly under his control than the inspection that would be provided by an intervening department; and the Department of Munitions and Supply has never suggested that it should do the inspecting, but rather that it should be done by what I might call their customer—because we are the customers and the Department of Munitions and Supply are our agents in procuring a particular article.

Mr. JACKMAN: I do not know whether there are any government arsenals as such operating now.

Mr. RALSTON: They are government arsenals in the sense that the Department of Munitions and Supply operate them. There are two government arsenals, one at Lindsay and the other at Quebec.

Mr. JACKMAN: That is, government-owned; and you adopt the very same method of inspection of their output as in the case of a private contract?

Mr. RALSTON: Yes.

Mr. JACKMAN: I was thinking of a case like the Bren gun plant in Toronto which is financed by public money. If I understand correctly, the gun end of it is owned by the government. While you might have private management operating the plant and turning out the product, it is virtually a government job with a management fee attached to the operation. You have government employees who are doing inspection work, and on top of that you have the inspection board which is operating for another department of government.

Mr. RALSTON: I do not follow my hon. friend. I thought this was the most logical set-up that one could have, namely, that the party who is to use the article should be the one to control the inspecting. You will find that in the government arsenal at Quebec and in the arsenal at Lindsay. There are inspectors there who are paid by the management and who inspect components and production processes and things of the kind. But the joint inspection board also have inspectors who act at the request of the Department of National Defence in order to see that the specifications are complied with.

Mr. JACKMAN: The question arises only where the manufacturer and the user are the same, namely, the government.

Mr. RALSTON: The Department of Munitions and Supply is not responsible for seeing

that a gun operates properly or that a proper type of gun is being supplied. The blame would be on the Department of National Defence for accepting an improper design or for not ensuring by inspection that the gun delivered was in accordance with the design.

Mr. GRAYDON: They both have responsibility.

Mr. JACKMAN: I do not wish to labour the point, but in the case of the government arsenals at Lindsay and Quebec the government is entirely responsible, yet you have another department of government spending a lot of money to carry on inspection work. The government is putting up the money to carry on the arsenals at Lindsay and at Quebec; they are both directly under government supervision, yet when the product is finished the government spends a considerable amount of money to make sure that the article is all right. In other words, it inspects its own article of manufacture. It is the government in both cases; there is a duplication. I am not protesting against the government doing this; I am simply asking the minister whether he feels it is necessary to have a duplication of inspection in these places.

Mr. RALSTON: There is really no duplication of inspection. There is the necessary inspection for the user of any goods or article which he has ordered, and that is made by the board as representative of the user. The production inspectors I have spoken of are there to inspect components and to see that they are proper to go into the particular article. I cannot conceive of this thing called "government" being responsible just in a general way. Even if munitions and supply did the inspecting, there would be no saving, because they would have to have the same number of people as the board acting for national defence has now. They could not get along with the staff they have in the plants to expedite production; they would have to have additional personnel as inspectors to inspect the finished article and see that it conforms to the specifications and is suitable for the purpose for which it is made.

Mr. JACKMAN: Naturally I accept the minister's answer, but at one time I was an inspector myself, so that I know something of the inspection that goes on in these plants. Sometimes it is done by government inspectors, and perhaps it is necessary to check up the operations. Yesterday the hon. member for Peterborough West asked the following question to which the minister made the following reply:

Does the army buy from the Department of Munitions and Supply, or direct from the plants?

Mr. Ralston: Sometimes. There is an arrangement with the British under which ammunition is bought by the British. Since it is anticipated we shall be serving with the British, when we serve with them we will be furnished by them with ammunition.

What are the financial arrangements in connection with the use of ammunition by our troops in Great Britain or on any other fighting front?

Mr. RALSTON: There will be a capitation rate applying to the supply of ammunition and the supply of certain other consumable stores. It would not be possible for each component of a force to have its own supply of ammunition. There must be some central source of supply, and the amount used is based upon the guns to be served.

Mr. JACKMAN: I am interested only in the financial arrangements, not the physical.

Mr. RALSTON: I could not give my hon. friend the capitation.

Mr. JACKMAN: Do we pay for the ammunition we use?

Mr. RALSTON: Oh, yes; we pay for the ammunition that is used. It is paid for at an arbitrary or approximate rate. No attempt is made by us or by the British to count the rounds which are used. If we have so many guns in the line, we pay so much for the ammunition.

Mr. HANSELL: Is the work of this inspection board confined to the inspection of munitions and equipment, or does it also carry on the inspection of construction work? If not, how is that handled? I have had no complaints with respect to munitions and equipment, but I have had one or two in respect to construction work.

Mr. RALSTON: Speaking for the army, construction work is inspected by the engineers under the quartermaster general's branch.

Item agreed to.

Mr. DIEFENBAKER: Perhaps I could take advantage of this opportunity to make a suggestion with respect to the need of establishing in Canada at this time a system of life insurance for the men and women in the armed forces.

Mr. RALSTON: I do not wish to shut off my hon. friend, but I have the answers to about a dozen questions which were asked and which I should like to put on record.

There will be an opportunity for my hon. friend to deal with this matter when the bill is before the house or in committee. I do not know whether he was in the committee or not, but this matter was pretty thoroughly discussed the other night.

Mr. DIEFENBAKER: What I had in mind was to place before the minister and the committee the need there is at this time for the establishment in this country of a system of national service life insurance similar to that in effect in the United States.

Mr. RALSTON: That was discussed the other night.

Mr. DIEFENBAKER: The matter discussed the other night had to do with policies that might be lapsed by reason of a man being in the service.

Mr. RALSTON: And also insurance. The Sparkman Act was discussed.

Mr. DIEFENBAKER: This has nothing to do with the Sparkman act; this is the national service insurance which is in effect in the United States.

Mr. RALSTON: That was also brought up.

Mr. DIEFENBAKER: I was here all through the discussion.

Mr. RALSTON: I think it was the hon. member for York West (Mr. Adamson) who raised the question. I do not want to be understood as shutting off my hon. friend, but if he could bring up this matter again I would appreciate it. As I said, there were several questions asked which I promised to answer so far as I could at an early day. I think it was the hon. member for Lake Centre who asked a question with regard to the procedure respecting men in the United States who might opt to serve in the armed forces of Canada rather than be inducted into the United States army.

Mr. DIEFENBAKER: And also what was being done to secure the enlistment of these men in the United States.

Mr. RALSTON: By agreement with the United States we are not permitted to recruit actively in that country. We are permitted to place before the men called up by selective service their right to opt for service in the Canadian forces. That is done through the Canadian enlistment centres, the list of which already has been given. It is not a very long list now; I think they are in St. Paul, Boston, Detroit and Seattle. It would obviously be impossible to have a Canadian officer or other rank at every draft board in the United States, but the rights of Canadian nationals are publicized through the enlistment centres. In addition to that our officers have visited many of the draft boards; there are at least 6,500 draft boards, so that of course they have not visited them all, by any means, but a great deal of publicity has been given in the newspapers, and in addition of course there has been much publicity through letters to these men from their friends in Canada.

When an individual presents himself at an induction centre or before the draft board in the United States, he has an opportunity to decide whether he will serve in the armed forces of the United States or exercise his right to serve with the Canadian forces. A plan recently has been under discussion whereby United States national selective service authorities would communicate by form letter with all non-declarants, to inform them of their right to opt. Under the plan it is proposed to supply copies of these letters in each case to the appropriate Canadian authorities, who then would be able to get in touch with these men, either directly or by letter. In addition to that a memorandum was issued by selective service headquarters in the United States to all local boards, just last month, giving instructions that for all co-belligerent nations, who have made agreements with the United States —and Canada is one of them—posters pointing out the right of electing service in the forces of one's own nation would be distributed to local draft boards and would be displayed in their offices, and literature concerning service in one's own national forces would be kept on hand at those offices. That is the extent to which notice is given to Canadians in the United States respecting their right to serve in Canada.

Mr. DIEFENBAKER: When was that notice sent out by the United States government?

Mr. RALSTON: Local board memorandum No. 129, as amended May 2, 1942.

Mr. DIEFENBAKER: What is the total enlistment to date in the Canadian army of Canadian citizens resident in the United States?

Mr. RALSTON: I cannot give that to my hon. friend, though perhaps I have something here that may help. No, I have not North America separate from South America, though I think I could break that down. The total there, I may say, for both North

and South America is 14,163. I am sorry; that is not correct, either; this is not the information my hon. friend wants. This is the number who have enlisted in the army who were born in North and South America, not in Canada.

The hon. member for Vancouver South (Mr. Green) asked regarding the matter of remedial treatment and the announcement made not long ago with respect to a change in that procedure. This proposal has been in force only for about a month or a month and a half; I think the announcement was made in March. As first announced, that policy was not general; it dealt particularly with cases of hernia. In February we announced that hernia in general would not be regarded as a ground for rejection if the recruit was otherwise in good condition. It was provided that the recruit might be accepted and might be categorized provisionally A(R)—that is, A-remedial—or B(R), which is B-remedial, with a view to an operation and probable grading up to A or B. New regulations are just being issued whereby varicose veins and some other similar ailments will be included in these regulations, and I anticipate that conditions such as non-toxic goitres and similar disabilities will be included. Whether those remedial disabilities will preclude enlistment will be decided upon in each case by the consultants at the reception centres which are now being organized. In other words, instead of sending men to Pensions and National Health before enlistment to have their disabilities remedied by comparatively minor operations, they will be enlisted and put in this category, and of course it will depend upon the result of the operation whether or not they will remain in the army. The object is to deal with cases in which there is every likelihood that remedial treatment will be effective.

Mr. GREEN: Have many men taken advantage of that?

Mr. RALSTON: There is no experience in that connection at all as yet; sufficient time has not elapsed to give us any experience.

Mr. GREEN: Have any men taken advantage of that provision?

Mr. RALSTON: I cannot tell my hon. friend, but I should think there would be quite a number.

Mr. GREEN: Is there a very wide field there? Is it expected many men can be recruited under that provision?

Mr. RALSTON: Well, I would think so; quite a number have varicose veins, goitre and hernia.

Then the hon. member for Weyburn (Mr. Douglas) asked with regard to the cost of telephones and telegrams, and I have a breakdown here. I cannot give it by districts, but this is the total cost for each item of expenditure, I think for the fiscal year: telephones, $742,903; telegrams and cables, $278,987; teletype, $25,841; making a grand total of $1,047,731.

The hon. member for Peterborough West (Mr. Fraser) asked last night with regard to the practice concerning gasoline and the procedure which the drivers follow in getting gasoline on the road. The procedure is that normally drivers obtain gasoline from the supply pumps at the army station. There is not a purchase from a commercial station except in case of what they call a local emergency, which means that a man has travelled farther than he has expected and finds himself without a sufficient supply of gasoline, and is not able to reach an army station. I am told that the amount of gasoline purchased under these circumstances, that is, in the opinion of the officers—they had not any exact figures before them—would be considerably under one per cent of the amount of gasoline used; they felt quite sure of that estimate. There are no directions given to the drivers as to what commercial stations to patronize. This ought to be noted, that even though a commercial pump were owned by a contractor—that is to say, suppose a commercial pump were owned by a contractor such as Imperial Oil or the Canadian Oil company—a purchase at that pump by the driver would be regarded as a local emergency purchase, because the gasoline that is bought from the contractor is bought for delivery at the army station, not for delivery at a local tank. There would be an exception to this general rule in the case of some centre where there might be a number of army cars—perhaps two or three—but not sufficient to justify the installation of a pump. In that case Munitions and Supply would be asked to make a contract for the supply of gasoline by one of the local service stations, and that contract would be made on a competitive basis.

The hon. member for Vancouver South asked as to the annual cost of food per man. This is a rough estimate which has been made up, and I think it is approximately correct; $153.30 per man per year.

Mr. GREEN: Is it the same overseas as in Canada?

Mr. RALSTON: I am told so. I am told that it is an average over-all figure.

The hon. member for Yorkton (Mr. Castleden) asked the percentage of illiterates who enlisted. In June, 1942, the estimate for

England was 1·6 per cent of the enlisted personnel. That estimate was based on a survey of approximately 70,000 troops. Of those who enlisted in Canada in the first three months of 1943 about one per cent were illiterate.

The hon. member for Vancouver South asked a question respecting aliens in the army. It is very difficult to give figures which really mean anything, because our figures are by country of origin. The total number in the Canadian army whose country of origin is other than British is less than 25,000.

Mr. GREEN: I think the minister did not get the idea of my question. Those, I presume, are British subjects now?

Mr. RALSTON: Some of them are, and some are not. Those from enemy countries —and in this I am getting a little nearer to what my hon. friend wants—whose country of origin are enemy countries are less than 2,500. With regard to those I would point out that investigations are constantly in progress. Such investigations as have been made show that between 65 and 70 per cent are actually naturalized prior to enlistment.

Mr. GREEN: The minister has not yet touched the point. About a year ago the Prime Minister announced that we were to call up aliens, under the provisions of the National Resources Mobilization Act. Formerly only British subjects could be called. In the return I mentioned yesterday it was shown that 751 aliens had been called up under the National Resources Mobilization Act, but that only three had got so far as to be taken into the army. What I want to know is how many have now been taken into the army; if there have been very few, why has there been such a long delay? I was dealing with the aliens called up under the National Resources Mobilization Act.

Mr. RALSTON: I have not that information. I am afraid what the hon. member wants would require securing a return, first, from each of the boards—and from my colleague the Minister of Labour, because some of them would have been called up there—and, second, a return from induction centres of those who have got past the board and have been sent for medical examination. This is an involved investigation. However, the number is not large and I shall see what I can do about it.

[Mr. Ralston.]

Mr. GREEN: Perhaps the minister could bring the information down in a return. I want to find out how many have got into the army.

Mr. ADAMSON: How many of those 2,500 are serving overseas?

Mr. RALSTON: I have not the information here, and I am always afraid to guess. I had in mind saying there might be 500, or something like that.

Mr. ADAMSON: Serving overseas?

Mr. RALSTON: Yes. The hon. member for Qu'Appelle (Mr. Perley) asked a question respecting rentals paid. The rentals paid in Saskatchewan, on a quick calculation, show in round figures, an amount of $104,000. Those paid in Regina were $44,000 and in Saskatoon, $36,000.

The hon. member for Weyburn asked with regard to treatment for venereal disease, namely, v.d.g. and v.d.s. I am not able to give complete information, but I shall give what I have to the committee. Overseas in 1940-41 there were 2,458 cases of v.d.g. treated and cured, and 656 cases of v.d.s. treated. I am unable to state how many of these men were retained in the army, or the number of cures obtained by treatment of v.d.s. Presumably all soldiers cured of v.d.g. were retained in the army or, if discharged, were discharged for other reasons. In Canada up to March 31, 1943, there were 2,873 cases of v.d.s. and 18,191 cases of v.d.g. treated. Up to April 1, 1942, there were 416 discharged on account of venereal disease, the most of which, presumably, were cases of v.d.s.

The hon. member for Lake Centre asked for the total amount expended for Debert camp. It will take several days to get that information together, and I shall furnish it at some convenient time. He asked about the International Water Supply company; that question also is still outstanding.

Mr. GREEN: The hon. member for St. John-Albert (Mr. Hazen) asked a question respecting the public relations branch.

Mr. RALSTON: I told the hon. member the return was nearly ready, and I shall see that it is brought down and laid on the table. It will be ready shortly, and it can be laid on the table when the estimates of the Minister of National Defence for Air are under discussion.

Mr. DIEFENBAKER: I asked the minister a question with regard to the proportion of active men called up for service in the three Canadian divisions.

Mr. RALSTON: I feel I am justified in giving the number of N.R.M.A. men in Canada, but I do not think I am in a position to give the percentage of home defence men and general service men in the operating formations.

Mr. ADAMSON: I asked a question concerning reasons for discharge or non-acceptance.

Mr. RALSTON: Rejections?

Mr. ADAMSON: Yes. It would be of value to have this information.

Mr. RALSTON: I believe I gave it roughly last night. The hon. member is referring to physical disabilities?

Mr. ADAMSON: Yes, that is correct. I have one further question, following that of the hon. member for Lake Centre. First, are Canadian citizens in the United States subject to call under the United States draft regulations, if they have not taken out their first papers? Secondly, if they opt to serve in the Canadian Army do they opt to serve on the home defence personnel, or must they opt to serve under the same conditions as they are called up for, under the United States service?

Mr. RALSTON: The hon. member has asked two questions involving a very lengthy agreement which has been entered into. I have no objection to giving the information as soon as possible. However, it is a matter of a lengthy agreement following negotiations between our officers and the Department of External Affairs and officials of the United States.

Mr. DIEFENBAKER: I regret the answer by the minister regarding the proportions of men who were active and who were called up for service in the three Canadian divisions. The minister has said he does not feel as though he can give that information. Mr. Chairman, this is one of the most important matters with which we are faced, and one about which the people of this country want to know. We want to know whether the men who are actually going to defend Canada are, in fact, men who have been trained and who have received the necessary training of active service men. I do not wish to press for information that could be valuable to the enemy, but I fail to understand in what way information as to the proportions of the three Canadian divisions as between active service men and men for service only in Canada could be regarded as being in that category. This is a matter of information which would be most helpful to the Canadian people in determining whether or not there are reinforcements in Canada available for the army overseas. I am going to ask the minister to give this information, but I will not press for it; if he takes the stand that it is not in the public interest to give it, that is the end of it. But I should like the minister to explain how such information can by any stretch of the imagination be detrimental to this country.

Mr. RALSTON: I say to my hon. friend that I consider it against the public interest to give it. That is all I can say about it. I think my hon. friend, upon consideration, will realize just why. It would be just as if when we were overseas in the last war we had given out information as to how many men in a battalion had been called up and how many had volunteered. I do not think anybody, least of all a member of parliament, would suggest that we give that information. On the matter of training I am perfectly willing to give the fullest information. That does not touch at all the question whether the men are volunteers or called up under the National Resources Mobilization Act. I have given the whole situation with regard to reinforcements, and I have given the number of the N.R.M.A. men in Canada.

DEPARTMENT OF NATIONAL DEFENCE FOR AIR

Hon. C. G. POWER (Minister of National Defence for Air): Mr. Chairman, I should like to table certain information which I think would be useful to the committee. It is a comparison of the 1943-44 cash requirements with the cash requirements for 1942-43 for all votes combined. I am laying on the table a certain number of copies for distribution to the members, and I request that this table be printed in *Hansard* to-morrow. It is as follows:

Department of National Defence for Air

Comparison of 1943-1944 Cash Requirements with 1942-1943 for All Votes Combined

Objects of expenditure by groups	Probable expenditure 1942-1943	Estimated expenditure 1943-1944	Differences Increase	Differences Decrease
1. Civil salaries and wages	$ 16,260,000	$ 18,620,637	$ 2,360,637	.....
2. Pay and allowances	148,700,000	238,023,232	89,323,232	.....
3. Travel, transportation and freight.	18,190,000	20,838,068	2,648,068	.....
4. Construction, purchases, repairs and operating expenses of properties:				
(a) Capital expenditure	110,000,000	93,421,100	.....	$16,578,900
(b) Repairs, operating expenses and rentals	9,417,000	13,482,925	4,065,925	.....
5. Personnel supplies and services: food, medical supplies and services, clothing and personal equipment	55,566,600	50,451,918	.....	5,114,682
6. Communications: signal and wireless equipment, line construction, etc.	13,060,000	26,838,773	13,778,773	.....
7. Ammunition and bombs	12,000,000	23,990,000	11,990,000	.....
8. M.T. vehicles and marine craft: capital cost and repairs	6,117,000	10,508,405	4,391,405	.....
9. Fuel costs for aircraft, M.T. and marine craft	15,460,238	29,368,636	13,908,398	.....
10. Aircraft, engines and spares including overhauls	148,550,000	231,846,296	83,296,296	.....
11. Miscellaneous stores and equipment: including machine guns and other armament	16,524,000	26,623,160	10,099,160	.....
12. Flying training contracts	21,000,000	33,805,829	12,805,829	.....
13. Overseas squadrons and ancillary units	7,605,000	303,783,729	296,178,729	.....
14. Sundries: including printing, stationery and other costs not included in the above items	4,670,000	7,818,706	3,148,706	.....
Totals	$603,119,838	$1,129,421,414	$547,995,158	$21,693,582

Mr. McIVOR: Mr. Chairman, before the anti-aircraft battery from Toronto, Vancouver and Témiscouata go into action against the "Power" machine, I wish to say a word. Those of us who were in the house the other day and heard the Minister of National Defence for Air make his statement will, I am sure, agree that the eulogistic editorials that have been written in the press across this country from the Atlantic to the Pacific were well merited. We got an earful that day.

There are three reasons why I should like to sound a note of appreciation of the minister for air and those associated with him, from the boys and girls right up to the minister himself. First, a word as to the training centres. I am fairly familiar with the airfield training centre at the head of the lakes. This field was owned by the city of Fort William, and when the war broke out, the Department of National Defence for Air took it over, or rather they allowed a committee of citizens of Fort William who put up their money, to manage the field. They chose a keen, honest, successful businessman to manage that field and I can assure the committee that it has been well managed, for this group were determined to contribute something to the cause for which we are fighting at this time. The officers in the training centre from the squadron leader right on down have been men of very high character, efficient men who knew their work and would allow no sham work to get by. I found complete harmony between the officers and every student in the air school. I found also that the accommodation was the very best possible, and the food suited those who were there. No one can overestimate the value of the air training scheme, scattered as it is all across Canada from the Atlantic to the Pacific, and perhaps nobody can have a greater respect for it than the enemy, whether he be in Italy, Germany or Japan.

Second, I should like to sound a note of appreciation of the character of the students and the men. I know one boy intimately. Nearly two years before the war he was determined to fly, and he thought he could learn more rapidly if he made his own plane. Accordingly he got his blueprint and his tools and started to work. However, just as he had his plane ready for the fabric, a recruiting officer for the air force came along and the boy fell for it at once, just as quick as a snap. Within the year he was made a sergeant, but he was not satisfied because he had been promised a course in flying. So that he reverted, and a little later in the city of Ottawa he received his wings. Since then, he has been just like a boy going out to play a big rugby game. He delights in his work and is extremely proud of his officers. I have never heard from any one of the Fort William boys, the pilots, pilot officers or any of them, one word of criticism of their senior officers that they did not get a square deal. I think our minister should also be told this, that they respect him for his driving force—I did not call it "Power". More than that, they respect him on account of his courtesy, his thoroughness, his ability to get things done.

Our air force pilots have given a splendid account of themselves. They feel they have a job to do. I have told the story once before in this house of the young lad who left his training centre where he was in training for an officer and fought his way to get overseas. Finally he got overseas, but just before he left he said, "Mother, don't worry. The cause is bigger than I am".

The third thing I wish to mention about the air force is the casualty lists, and this is a tender subject with anybody who knows something about it. There have been, I believe, more casualties in the air force than in any other branch of the service. Look at the losses! The material loss is great, yes. Those giant bombers cannot be made in a short time out of nothing, but their loss is as nothing compared with the loss of the young pilots who give their lives for a cause they deem worthy. One thing about the casualty lists which has pleased me immensely when I have been allowed to call at a home to try to bring a steadying influence upon those who perhaps were beginning to doubt whether good would come out of it all or not, was the letters that I was able to read from those in the chaplain service and especially letters from squadron leaders. I must say that I was surprised. The character of these officers showed itself in the letters they wrote. Sympathy, kindness, courage and helpfulness came from them to the men and women who had lost their boys.

I should like to make the same request of the minister for air that I made of the Minister of National Defence. I think that when a boy has lost his mother, when the boy had not the joy and happiness of a young wife, his stepmother or his aunt or his sister or his father, should have the honour, and the little bit of comfort that goes with it, of having the silver cross bestowed upon them. I pay my tribute in a feeble way, though to the best of my ability, to the efficiency of the air force. We all through Canada from the Atlantic to the Pacific say to the minister for air, "Well done; carry on, and God bless you."

The CHAIRMAN: Before we proceed any further with this summary, I should like to receive a direction from the minister and the committee as to the procedure we should adopt in order to proceed with efficiency and diligence. On the previous estimates, namely, those of the Minister of National Defence (Army), we followed the summary item by item, and I wish to know if it is the wish of the committee and the minister to do the same with respect to these estimates.

Mr. POWER: I understood, before the war appropriation estimates came on that it was intended to proceed by way of discussing them item by item. Personally, of course, I would very much prefer that we discuss them in three separate items, corresponding to the three separate organizations which go to make up the air force. It would be much simpler for me. That is to say, we could discuss at one time the joint empire training establishment; when that has been thoroughly discussed, go on to overseas, and when that has been fully dealt with, proceed to western hemisphere operations or home war. It would make for much less confusion. But I am entirely in the hands of the committee, and since we have started in the army estimates by following the items as they are listed, I am quite willing to proceed in that way.

Mr. STIRLING: Since the break-down has been placed before us in this form, it seems to me that it would be better to adhere to it, in spite of the minister's desire to consider the whole large question under three heads. I think if we were to attempt to do that now, having had the experience of the army estimates, and with this before us, it would make confusion.

Mr. POWER: If my suggestion were followed it would make thirty-three items instead of eleven, so that it would not be to my advantage, but at the same time it would save a great deal of confusion if we discussed it subject by subject: the training scheme, until it was finally exhausted; then, operations in Canada, until they were thoroughly exhausted; and then overseas. I fear that otherwise we shall get confused in spots. But that is part of the job; I do not mind.

Mr. ADAMSON: Mr. Chairman,—

The CHAIRMAN: Is the hon. member speaking on the point I have brought before the committee?

Mr. ADAMSON: I had rather intended to make a general statement, but I can see the advantages of the minister's suggestion, of dividing the operation of the air force into its three main component parts. If the committee will allow me, I will endeavour to confine my remarks to the joint air training scheme, but if I digress or transgress a little I hope the Chairman will not be too strict.

Mr. GILLIS: I do not wish to interrupt the hon. member, but the Chairman asked a question, and the minister has made a suggestion. I think that, so that we shall not get into the tangle which we had with the national defence estimates (army), we should have some idea as to how we are to proceed. Personally, it seems to me that if the sheet which is before us now is followed item by item, that is the most expeditious way you can get the business done. If you adopt the suggestion of the minister, you open up the field of discussion on different branches of the service, and you will, I think, just ramble around until further orders without being on anything specific. In my opinion, if we take this and discuss it as it is set out, we shall not go far astray.

The CHAIRMAN: It seems to me, then, the opinion of the committee is that we should proceed item by item.

Mr. DOUGLAS (Weyburn): That does not solve the minister's problem.

Mr. POWER: The minister is quite willing. I merely threw out the suggestion, thinking it might be helpful to the committee, but I am quite willing to go ahead with the items as they are laid down here; I have no objection.

Mr. DOUGLAS (Weyburn): It is agreed, then, that we follow these fourteen items, and it will be understood that each of them has three divisions; that is, for instance, "1. Civil salaries and wages". That has to do with three things: commonwealth training, overseas, and western hemisphere defence; and that will apply to each item as we go down.

1. Civil salaries and wages, $18,620,637.

Mr. ADAMSON: I will endeavour to confine my remarks as much as possible to certain basic questions. Before we go into the air estimates we should get ourselves orientated, as to how we wish to discuss the problem. I believe the proper way would be to regard oneself, as to what one would like to do, how one could improve the air training or the Royal Canadian Air Force, as though one were in the position of minister. I believe the minister's position is that what he would like to learn from any discussion is, how can what is admittedly an excellent show be made even better? That seems to me to be the basis upon which discussion of these estimates should be made.

I suggest that it has not been sufficiently emphasized what air power has done for the united nations. As time goes on, we shall see that the date of August 15, 1940, was the turning point of the war, the day on which the war could have been lost, and the day when the air power of Great Britain prevented the war from being lost. The war was not won then; it was prevented then from being lost. In any discussion of air power, sufficient credit cannot possibly be given to the fighting services of the Royal Air Force during the battle of Britain.

The Royal Canadian Air Force is in a particularly happy position, because it is an entirely volunteer and voluntary organization. It has none of the difficulties of two classifications of fighting men; it has no air men who serve only in Canada. Admittedly there are ground crew and aircrew; but the ground crew are, I believe—and this is the first question I would ask the minister—composed as far as possible of men who are not fit for aircrew. Of that I am not sure, but I understand that an attempt is being made to get ground crew who, on account of either age or other disability, are unable to act as aircrew.

It is rather peculiar, but the army started off as a definite unit and the air force started off as merely a part of the whole scheme of united empire or, at that time, British air power and we now hear talk of the army being divided and of the air force becoming more and more a Royal Canadian Air Force with thirty-eight operational squadrons, or

there are to be thirty-eight operational squadrons. I see the minister has said that for every Canadian in a Canadian squadron there are eleven Canadians in the Royal Air Force.

Mr. POWER: Aircrew only.

Mr. ADAMSON: Yes, aircrew only. I was speaking of overseas aircrew. The question of the establishment of a separate Royal Canadian Air Force has been dealt with by as good a compromise as could be achieved under the system. There were definite opponents of purely Canadian squadrons. Some of the pilots were very happy in the United Kingdom, or English squadrons, the esprit de corps of which was very high, and the Canadian aircrew in many instances objected to being transferred to a purely Canadian air force. On the other hand, there were some squadrons where perhaps the commanding officer was not quite as understanding, from the Canadian point of view, and where Canadians longed to become part of a Canadian squadron. So that the compromise of thirty-eight squadrons is probably a good one.

Before we go on to consider the whole plan, we must remember that any talk about sovereignty in war is dangerous. We must not forget that the formation of the joint air training plan was delayed a whole year because the government of Canada objected, and objected strongly—in fact it was a prohibition—to the United Kingdom having their own air squadrons or air training operations in Canada. That shows a point of view which I hope we in Canada have got over for all time. It shows the colonial mind at work. I suggest that had we established the joint air training plan when it was first mentioned, we would have had a year or six months in hand.

There is one other point with regard to the training of aircrew in Canada. I suggest that more emphasis where possible be put on the training of South American pilots in Canada. There are a number of Mexican and South American nationals who would make excellent aircrew. Some of them have been trained in Canada, but I believe that, for the future, the training of aircrews in Canada, particularly South American aircrew, would be a step in the right direction for hemispheric solidarity. The South American republics look to the United States for all their air training and as the leader in North America. I believe a great deal of good could be done if we took a number of these South American citizens for training; that is, of course, if there is space in the schools to train them. I mention that for this reason. It has been found that a great many of our new Canadians, particularly of Slav descent, have shown a flair for the air which was absolutely unbelievable. A good many Czechoslovakians and men of central European descent have proved amazingly efficient pilots and aircrew, and I believe an extension of this air training plan to include some of the South American nationals would be a step in the right direction. It would show South America that Canada also was a power in the air in her own right.

We now come to the hardy annual, the question of commissions for aircrew. It has been brought up before. The minister has given it consideration, but nothing has as yet been done. We still have the distinction, slight though it may be; nevertheless it exists on the ground, of the sergeant-pilot and the commissioned aircrew. I suggest to the minister that aircrew should all be considered in the light either of ensigns or of cadets, call them what you will, until they have made a certain number of operational flights, either operational bombing flights or, if they are army cooperation squadrons, a number of sorties against the enemy, and that then they all be automatically commissioned. I realize that these barriers of officer and non-commissioned officer are being broken down, and I know the difficulty exists because we have our squadrons and personnel training or fighting with the Royal Air Force. But I believe that if we made that suggestion strongly enough, the whole air force of the empire would and could be put on that basis.

I should like to say a word with regard to prisoners of war. When a man falls into enemy hands and a commission or promotion subsequently goes through, is that promotion recognized by the enemy? I understand that it is in Germany, but that so far Italy has refused to recognize promotions, whether granted at the time of the operation or subsequently thereto. I understand that the air force has recommended the use of cracked high octane gasoline for training purposes in Canada, and I should like to know if this is the fact.

What percentage of the training received by members of aircrews is given in Canada. Do these men fly combat planes in Canada, or is that training given only in the United Kingdom? It is quite likely that we shall be engaged in air operations against Japan which will require long overseas operational flights over the Pacific ocean. What steps are being taken in Canada to train air-sea rescue crews?

With the probable shift of operations to the Pacific, this matter should receive a great deal of serious consideration. What form of training do the aircrews receive in air-sea rescue work? Are they trained on this continent, or do they receive their training on the other side?

This may be a post-war matter, but I wish to recommend the establishment of a Royal Canadian Air Force college. We have the Royal Military College at Kingston and the Royal Naval College at Esquimalt, and I should like to see established a Royal Air Force college which would operate along the same lines. We realize that after the war there will be a great reduction in our air force, but at all times we shall have to have a large and powerful air force. So far as I can see, no country will be safe in the future without adequate air defence, particularly a country so rich and as sparsely populated as Canada. The work being carried on by our air cadets is a step in the right direction, and their work in making this country air-minded deserves the highest praise.

The question has been raised whether air power will defeat the enemy. Every day that passes shows us that air power will do more to defeat the enemy than we thought was possible, even last month. In Coventry and Liverpool, which cities received heavy bombings, the destruction to industry was extremely great. The complete cessation of the production of certain items took place for a considerable time, and it is admitted freely in the United Kingdom that the bombing of the industrial centres of England was a serious matter indeed. But what happened in England is as nothing to what is happening to-day in the Ruhr and throughout Germany. Every day air power is bringing the war closer to a conclusion. Nothing that we can do to support the Royal Canadian Air Force is too much. The devastation and softening up of Germany by air power constitute an essential prerequisite to invasion. Air power alone is insufficient, but once the central channels of Europe have been destroyed by air power, the job of our land forces will be made infinitely easier. The degree that bomber command is contributing to the defeat of Germany and Italy is increasing daily. Air power is expensive, but it is infinitely cheaper than attempting to carry out an unprepared operation. Before we can consider landing an army on the shores of Europe, the devastation that must be brought about—and Dieppe showed this as well as anything else—must be immense. Consider the raid on Wuppertal the other evening, when we lost thirty-three bombers; consider what it would have cost in men and material to have done that job by artillery. I think the committee will see how important air power has become.

I had some questions to ask the minister, but in view of his suggestion I shall wait until the items are taken up one by one. However, I should like to congratulate the minister upon his statement and to express my pride in what has been done by the Royal Canadian Air Force so far, and what will be done in future, to bring about the defeat of the axis.

Mr. ROSS (Calgary East): Before the outbreak of war, a number of young men from all parts of Canada enlisted in the Royal Air Force; at that time there was no place for them in the Royal Canadian Air Force. These young men took courses in aeronautics at their own expense; after completing those courses they went to Great Britain, at their own expense, and joined the Royal Air Force. Many of them would now like to transfer to the Royal Canadian Air Force, because they find themselves in this position. They see their friends from Canada drawing higher pay than they are drawing. The dependents of their friends from Canada are receiving much better allowances than their dependents receive. They are very much alarmed at what may happen when the war is over and they try to reestablish themselves in civil life; they consider that they will be handicapped because it may be held that at the time of their enlistment they were not ordinarily domiciled or resident in Canada, which might preclude them from many of the benefits that will accrue to those who were domiciled in Canada at the time of their enlistment.

I submit that for the duration of the war these boys should have the benefit of the higher pay which is given members of our air force; that their dependents should receive the higher allowances which are given in Canada, and that when the war is over, they should have an equal chance to rehabilitate themselves in civil life. I should like to ask the minister if anything is being done in the way of working out some plan to help these boys to transfer from the Royal Air Force to the Royal Canadian Air Force.

Mr. POWER: That question requires a very long and somewhat involved statement. I would be willing to make that statement at any time, but I know many other hon. members are intensely interested in this matter, and I should prefer to have as many as possible state their views. Then I shall be only too glad to make a statement.

Mr. CASTLEDEN: I believe the recent achievements of our airmen, particularly in the European war zone, reveal the importance of the striking power of our air forces. The ability of this arm of the service to reach over the fortifications, the armies and the navies of the enemy and strike at the nerve centres of a nation's production and distribution, and paralyze them, is rapidly changing the technique of war. To-day the immense value of the air force in saving man-power and the wastage which ordinary land fighting involves is becoming realized as never before. It is quite possible that the role of the army will be changed very largely to the essential work of carrying out occupational duties. The deep striking power of the allied air force has made it one of the major arms of allied forces, and I know Canadians generally are justly proud of the part our men have played in the air on every front where the united nations are fighting.

The British commonwealth air training plan in Canada has done a good job; it has turned out men who have maintained the high standards which Canadians set in the first war. These men are carrying on and winning new laurels for this dominion. When we realize that the boys who to-day are standing the brunt of this attack and carrying on this work only a few years ago were lads in our high schools and universities, playing hockey and football, carrying on their studies in technical schools and so on, we marvel at the ability of a training scheme to turn them into fighting men with the nerve, the will and the natural ability to adapt themselves to changing circumstances so that they get through, do their job and come back. I do not think Canada will ever be able to repay these men for the sacrifices they are making. I wish to pay tribute also to those thousands of brave mothers and fathers of these men who month after month stand the strain of worry and anxiety and who so bravely take the news, when it comes, that their boys are missing after air operations. Some interesting figures were published recently in the press showing how the casualties were distributed among the empire troops. These figures show that the United Kingdom has suffered 275,000 casualties; Canada, 10,400, Australia, 53,000; New Zealand, 19,000; South Africa, 22,000; India, 101,000 and the colonies, 30,000. Those are the rough figures. In the break-down of Canada's casualties I find that the Royal Canadian Air Force has suffered the loss of 3,957 men killed, 1,899 missing, 565 wounded and 629 prisoners, making a total of over 7,000.

Mr. POWER: I do not wish to interrupt my hon. friend, but those figures do not quite coincide. He will notice that the figures of total empire casualties are given as of three years of war. That would be September of 1942. As a matter of fact, the casualties list I placed on *Hansard* was as of May 14, or of very recent date. Most of the Royal Canadian Air Force casualties have occurred within the last several months. So that a comparison is not quite exact.

Mr. CASTLEDEN: It states that the Canadian army figures are for to-day, whereas the air force figures are as of April 30. The minister is correct in that. The total for Canada at the present time is over 13,000.

We all are interested in making the air force the most efficient weapon possible. There are some little matters, such as the granting of commissions, which very often alter a man's attitude. It seems to me it is only right and fair that any man actually engaged in aircrew, flying over enemy territory, should be qualified for commission. It is an incongruous state of affairs when we find, we will say, a sergeant-pilot who is piloting the bomber, and having under him during operations a commissioned man as one of his gunners. Then, it may be that the pilot of the next machine is a commissioned officer. These men are assuming the same responsibilities, but one is a pilot officer and the other a sergeant.

If these men were forced down or had to bail out over enemy territory, and be taken prisoner, they find that in the prison camps there is a difference between the treatment handed out to a commissioned man and that given non-commissioned men. I am not saying that every man who graduates from an air training school should necessarily receive a commission. But if he completes his training successfully, and engages in operational duties over enemy territory, surely he has won his right to a commission.

When a ship returns safely, the sergeant-pilot, who has been in command of the craft, leaves it, followed by his gunner, who may be a commissioned officer. From then on, the commissioned man receives recognition of his rank, and the sergeant must salute him. One goes to the officers' mess and the other to the sergeants' mess. The sergeant is not allowed in the officers' mess.

It would be good for the morale of these fighting men to grant the recognition I suggest. I know that in Canada commissions are granted to men doing clerical work, or to others who are doing technical or intelligence

work. Ground service men are granted commissions. Under such circumstances, surely the men who are facing what these men on operational duties must face, have won their right to commissions.

I would be pleased to hear the minister's statement as to what objections there may be against the granting of these commissions. Is it a matter of pay? Is it a matter of some special social distinction? Is one to be looked upon as a "gentleman" and the other just a "player"? Why should there be any objection to giving them commissions? The country would like to have an answer.

Then, as was asked by the hon. member for Calgary East, what steps are being taken to Canadianize the Royal Canadian Air Force? Is any obstacle being placed in the way of men in the Royal Air Force who desire to transfer to the Royal Canadian Air Force? If they are in a Royal Air Force squadron, is it possible for them to work together as Canadians, in one crew, or is there any Canadian control over them?

I have only one serious criticism to make, and it arises from what I believe was a mistake. I came across a case in my own province respecting a young man who, after a serious air accident, was discharged from the air force. While he was acting as gunner in aircrew on a practice flight, the aeroplane in which he was operating crashed with another machine in mid-air. This boy's brother was killed in the same crash, and the boy himself sustained twenty-eight fractured bones, but is still alive. He was offered a commission, because it appeared the authorities wanted him to stay in the air force. I believe he asked for his discharge. I hold in my hand a letter from the deputy minister in which he states that this man was discharged from the Royal Canadian Air Force on November 3, 1942, at his own request, in category A4hBh, which means fit for home service in Canada. The deputy minister points out:

> Although suffering from some disability at the time, it was considered that he would eventually be fit for service at least on the ground, and he could not, therefore, be discharged as permanently unfit for all forms of duty. His disabilities were noted in the medical board proceedings.

When I saw this young man he was carrying on as a relief railway agent. He was suffering, and was wearing a brace at the time. His own remarks in the matter were rather interesting. He said:

> When I was discharged I asked them if I may make an application for a pension. From the way they talked it would be more than useless to make one, so I never bothered.

Mr. POWER: Whom did he ask? I would say it would be useless to make it to the air force, but there is a board of pension commissioners to which he could apply at any time. We have nothing to do with that.

Mr. CASTLEDEN: When he spoke about it, that was the reply he got.

My second point is, I believe, a reflection of a similar condition in the army. The women in the women's divisions of the air force, army and navy are surely entitled to equal pay for equal work. I think the minister would have the support of everyone if he were to see that that was brought about.

Then, dependents' allowance should be payable to those who are entitled to it, even if they are in the women's division. In many instances these women have been supporting parents, or other dependents. They are rendering a valuable service, and I believe the minister would agree that in performing some phases of the work they are even superior to the men. In my opinion, they are entitled to the same pay and allowances as are granted men in the army.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. HOBLITZELL: Mr. Chairman, as one of those who have taken up very little time of the committee, I should like to say a few words in connection with the operation and leadership of the Royal Canadian Air Force. I have for various reasons been very much interested in this branch of the service, no doubt due to the fact that I know so many young men of the force who have paid the supreme sacrifice and many others who also are ready to give everything they have to defend our country in this fight for freedom and justice.

Let me pause for just one moment to offer my hearty congratulations to the minister of National Defence for Air upon his splendid speech on the floor of this house, as reported at pages 3723 and 3724 of *Hansard* of June 26, 1942. With such leadership the Royal Canadian Air Force is bound to fly at a very high altitude.

The Royal Canadian Air Force is one of Canada's chief sources of pride in our whole war effort. It is composed of young men who are among the finest in the land. In many theatres of war its members have brought glory to themselves and to their country and will continue to do so in even greater measure

as the war becomes more intense in the final struggle on the continent of Europe and elsewhere.

I was very much interested in receiving information that I asked for with regard to the number of decorations awarded to men in the Royal Canadian Air Force who were enlisted or appointed in Toronto, and I should like to put the numbers of these decorations on *Hansard* so that they may be on record. Decorations have been awarded to men enlisted or appointed in Toronto as follows:

Order of the British Empire	1
Distinguished Service Order	1
Distinguished Flying Cross	44
Air Force Cross	4
Distinguished Flying Medal	16
Air Force Medal	2
British Empire Medal	1
"Mention"	13
"Commendation"	6

Knowing a number of these young men who have won such honourable distinction, is it any wonder, Mr. Chairman, that I should give high praise to the service? I am sure that all hon. members will agree with me that there is very little criticism that can be applied to this branch of our armed forces. Everywhere you go you hear nothing but the highest praise of the Royal Canadian Air Force, and what has been said along that line by speakers who have preceded me is a good example for the rest of us to follow.

May I make one or two suggestions to the minister which I believe will meet with widespread approval? It is hard to say that all young men in the aircrews are of officer material, but what I should like to see is that all members of the aircrews be placed together in the use of a common mess as is the custom in the far and middle east.

I should also like to offer a suggestion in connection with the rehabilitation of the Royal Canadian Air Force personnel. This would, I believe, be a fitting conclusion to a glorious incident in Canada's air history. With your permission, Mr. Chairman, I will read what I have prepared in this connection.

REHABILITATION OF R.C.A.F. PERSONNEL

1. The question of rehabilitation of R.C.A.F. personnel is a matter which deserves not only the best thought that is possible on the particular question, but also that this thought should be initiated immediately. The success of any rehabiliation measures will depend on having them determined in all their different aspects before rehabilitation, on any large scale, becomes necessary.

2. The rehabilitation of air force personnel, more particularly aircrew, has certain special features, namely:

(i) Air force personnel, more particularly aircrew, are men and women of a high level of educational standing.

(ii) Aircrew will have been through emotional experiences which will have given them a maturity beyond their years.

(iii) The majority of aircrew personnel will be young men in their early twenties who have a good educational background but no special vocational experience.

(iv) The rehabilitation of women personnel will be a particular problem in so far as there will be many young women of good educational background who have interrupted their educational and vocational training to enter the air force.

3. There is at present within the air force an organization for the repatriation of air force personnel. It is submitted, however, that this organization must of necessity be confined entirely to the routine of arrangements for discharge of personnel. There must be a separate organization for the rehabilitation of air force personnel.

4. It is suggested that there should be established within the air force some kind of organization to provide facilities for air force personnel who are to be repatriated or discharged to enable them to do some serious thinking about their future vocation.

5. It is suggested further that the educational directorate of the air force should be so organized as to undertake immediately the whole question of rehabilitation, whereby facilities could be provided to give air force personnel who are to be repatriated or discharged, vocational guidance and an opportunity to pursue the necessary educational courses required for their future vocations. Aircrew personnel, who are to be repatriated or discharged, will require this vocational guidance during the period (in the service) in which they are being emotionally restored towards future civilian life. It will be the responsibility of the Royal Canadian Air Force to give this vocational guidance. Furthermore, it is submitted that there will be no better therapeutic measures for these young men than to stimulate in them healthy thoughts about their future vocations.

6. The answer to rehabilitation is a job, and it should be the responsibility of the air force to provide any necessary educational training to enable air force personnel to get this job. Also it is realized that there will be in the air force personnel who return many

of the best brains of Canada. The majority of these brilliant young men will have interrupted their education. It is the responsibility of the air force to direct the thoughts of these boys to the furtherance of their higher education and to dissuade them, as will be necessary in many cases, from breaking away from their early pre-war intentions of a university career.

Mr. Chairman, I believe that this job of rehabilitation can best be done by those in charge of the building of the Royal Canadian Air Force. In conclusion, may I say: Carry on, Royal Canadian Air Force.

Mr. JACKMAN: Mr. Chairman, it would be almost redundant for me to add a humble tribute to the administration of the Department of National Defence for Air, but I am very glad to do so because I believe that the minister has given it his very best attention; he has accepted criticism where it was due, and he has never paraded the Royal Canadian Air Force or the British commonwealth air training plan as a perfect model, but has endeavoured at every turn to improve it where improvement was required. I hope that any suggestions which may come from this side he will take in that spirit as he has done in the past, for he is assured in his heart, and he knows it without anyone saying it, that there is nothing which any member of this house and any member of the Canadian public will not do to further the interests of these men over whom he has charge.

I do not think the people of Canada fully realize the debt of gratitude which they owe to the men who serve in the aircrew of the Royal Canadian Air Force, to say nothing of the men who served with the Royal Air Force and fought in the battle of Britain and in all the battles which have been waged since that time. I shall not say that the failure to realize exactly what the air force has done for us is because of poor publicity; it may be due to the fact that the air raids are now so constant, and the air battles in the past were of such frequency, that we do not realize the significance of each of these air raids which takes place.

Let us consider for a moment what is meant to Canada when an air raid of 600 planes takes place on any one of these evenings which we are now passing through. With an average crew of say eight to a plane, that means 4,800 men. Every night we have, in the number of aircrew going over Germany, a force equivalent to that which took part in the raid on Dieppe. That is something we do not realize on account of the great frequency of these air raids. And, so that we may realize how large a share is Canada's in these air raids, no less than a quarter of the aircrews that take part in the raids are R.C.A.F. personnel, serving with the Royal Canadian Air Force and Royal Air Force, and for good measure we can add another five per cent of Canadians who enlisted in Royal Air Force units. Only a few nights ago, fifty-seven of the casualties reported were boys of our own country, our own brothers and sons.

Whether anything can be done to bring the realization of this great contribution more vividly to the general public apart from those whose actual relations are engaged in it I do not know, but I feel that if it is possible to give greater publicity to the individual exploits, as well as the exploits of the corps, it should be done. I believe that the minister, if he is of the same opinion as he was last year, will agree that we must give all the personal tribute that we can, because we on this side of the Atlantic at least are used to having heroes, and it is a great inspiration to the young men serving in the force and to those who are likely to enlist to know that they have a chance of getting this glory personally, as well as serving in the common cause.

I am also glad to know the minister feels that we may make very considerable progress in the winning of this war through bombing operations alone. He shares, I think, the view of the Prime Minister of Great Britain when he says that it is something well worth trying, as long as we do not forget the other arms of the service.

One point which has been mentioned already and which will find, I believe approval among all parties of this house, is in connection with the granting of commissions and the withholding of the same to aircrew. It is an invidious distinction which grew out of the tail-end of the last war. I remember it very well, because at that time I was a boy of seventeen and I was in the Royal Air Force, as it was called then. I can remember lining up with the other young recruits, and a young lieutenant there simply picked some of us to be cadets for pilots, which meant a commission, and others to be sergeant-pilots, without any preliminaries at all. It did seem an unfair way, because those who had special influence might be able to change their position afterwards. But the distinction between commissioned officers and non-commissioned sergeants, all of whom were to serve as aircrew, grew out of the end of the last war and apparently was carried over into this war. I do not see that

it has any relation at all to Canadian soil; it may have something to do with other countries, but certainly it is entirely foreign to Canada, and I do not think we want to see any of it here.

It is quite true, on the other hand, that if the only consideration in granting a commission is grades in the courses, those who do better than others are perhaps entitled to rewards, as in other walks of life. Nevertheless, when the men are serving together in the same aircraft there is an invidious distinction, which I think should be done away with. It was suggested by one of my colleagues that it might be better to adopt the United States system of appointment of aircrew to become flight officers with the equivalent of warrant officer's rank, and subsequently they could earn their commissions. I am not positive on that point, but I have heard it said that that is the way in which the matter is handled there. Certainly, the man who graduates as a member of an aircrew is entitled to some rank which, I think, should be at least that of warrant officer; and upon proof of service, not necessarily operations over Europe but including good service in the corps, he should be entitled to rank for his commission.

As I understand it, the system in practice works that only the top third of the graduating classes are granted commissions and the remainder become sergeant pilots. Now that Canada has a larger number of R.C.A.F. establishments and is paying for the same, the old reason of being influenced by joint costs, because Great Britain was paying a good part of the shot of the increased remuneration which officers would get, has to a large extent gone. We are running our own show to a considerable extent, and we should be able to call our own tune with regard to creating officers or not. I understand that a sergeant-pilot or an aircrew sergeant must be recommended by his commanding officer for a commission, or he may apply, under certain rules, for a commission. I should like to trespass on the privilege of the house and read from the agreement in connection with the air training plan dated at Ottawa, June 5, 1942, which I think is the last agreement. This is "Conditions of service of air crews, R.C.A.F. pupils."

1. Commissioning— . . .

(a) All pilots, observers, navigators and air bombers who are considered suitable according to the standards of the government of Canada and who are recommended for commissions will be commissioned.

I do not see any limitation in the clause to one-third, which I understand is the practice.

Mr. POWER: It does not exist any longer.

Mr. JACKMAN: There is no limitation; you are perfectly free to create any officer or sergeant?

Mr. POWER: It does not exist any longer.

Mr. JACKMAN: On graduation, of course.

(b) The percentages of commisisons given at the date of this agreement to wireless operator-air gunners, namely twenty per cent of total graduates, divided ten per cent on graduation and ten per cent after service, and air gunners, namely twenty per cent of total graduates, divided five per cent on graduation and fifteen per cent after service, will be maintained.

I might ask the committee to bear in mind, with regard to these percentages after service, that from what information I have it does not appear that the chances of being promoted afterwards are very much better than theoretical. Actually the total who have been promoted after failing to get their commissions upon graduation has not been very great.

Then:

Some flexibility will, however, be permitted to ensure that airmen in these categories who have the necessary qualifications are not excluded from commissions on account of the quota.

Well, according to the minister the quota has gone except perhaps as to the air gunners, et cetera.

Mr. POWER: I am speaking of the P.N.B.s only—pilots, navigators, bombers.

Mr. JACKMAN: The next clause has to do with procedure in getting a commission, and I think hon. members will be interested if I read it at length.

(c) Normally, the initiative in recommending an airman for a commission will rest with his commanding officer, but an airman may apply to be recommended, and, if his application is endorsed and forwarded by his commanding officer, it will receive the same consideration as if it had been initiated by the latter.

Namely, the commanding officer.

An application for a commission by an airman of the Royal Canadian Air Force, even if it is not endorsed, will be forwarded through the usual channels to R.C.A.F. overseas headquarters. The headquarters will be provided with all relevant documents and will arrange for the candidate to appear before a selection board convened by the air officer-in-chief, R.C.A.F. overseas.

In regard to that clause, I would ask the minister if what is there indicated exists anywhere at all except on paper—

Mr. POWER: You bet.

Mr. JACKMAN: —and if it does, I should like to know whether there is any substantial number of men, and how many, who have actually received commissions in that way.

Mr. POWER: What clause is it?

Mr. JACKMAN: That is appendix 3, 1(c). Then there is another clause with reference to the man who is shifted about, and who comes to the attention of headquarters. Clause G is also pertinent:

> The R.A.F. authorities, in conjunction with R.C.A.F. overseas headquarters, will at once review the case of every airman in all aircrew categories who has been in an operational unit for more than two months.

One would expect that these men, who I am sure we all feel, and the public feel, should be entitled to a commission, namely, the boys who have served for more than two months in operational flights in Europe, should be recognized, and that their cases should come up automatically for review. But we find that seventy-five per cent of the Royal Canadian Air Force aircrew who are reported killed or missing as of recent date were not commissioned, which would seem to indicate that this clause, which calls for an automatic review, is not very operative, or at any rate not very effective, in obtaining commissions for aircrew who are serving and have served for some period over the battlefields of Europe. As a matter of fact, to reinforce the point which I made, that it is most difficult for a graduate who has not obtained a commission on graduation to obtain that commission subsequently, I find that only 607 sergeant-pilots have been commissioned in Canada subsequently to graduation, and 1,464 have been commissioned overseas, which is a very small percentage of the number who, one might expect, would be entitled to consideration on that score. I think the minister will agree that there must be a bottle-neck somewhere, and if no one is actually trying to hold things down, certainly commissions are not flowing as freely as we think the men are entitled to have them.

There are one or two other points in regard to commissions which I should like to make. One is that while there is no limitation on the number of pilots, navigators and bombers who graduate and who may become officers, nevertheless there was, until some time in the near past, a condition that made it impossible for more than the very top number, about the top third of the graduating class, to receive these commissions. As we also know, the requirements for enlistment or for men to get into the air force in the early days were even more stringent than they are to-day from the educational point of view and perhaps from some other points of view, with the result—and I am not casting the slightest reflection upon the type of manhood we have in the air force to-day—that those who went in at the beginning were perhaps on the average slightly higher. But with the old rule in force in the early days, we find there are a great many in the bottom two-thirds of the class, perhaps brilliant fellows, in every way entitled to commissions, who have not received them, as indicated by the figures I gave showing how few had been commissioned after once leaving the school.

Then, again, as the hon. member for York West mentioned this afternoon, an aircrew officer receives better treatment if he becomes a prisoner of war in Germany. Whether or not a man can be promoted if he is a prisoner, I do not know. I have heard it said that if his recommendation had gone through in Great Britain or in Canada prior to his capture, the Germans will recognize his commission; otherwise they will not. Perhaps the minister will throw some light on that question.

One other point is that the legislature of British Columbia has passed a resolution, reflecting the opinion of that great province, in favour of commissions for all members of aircrew.

Another matter upon which I hope the minister will throw some light in the course of his reply is in connection with recruiting. We should like to know what the status is as regards the waiting list of applicants who are eager to get into the air force at the present time. How large is the reserve? It will be interesting also to know how many members of the Royal Canadian Air Force are employed on ground duty who would be available to the army as first-class fighters and who might be exchanged with the army for men who are not fit for front-line fighting. Has the minister made any such proposal to the army, and would the army be willing to cooperate in that direction?

Mr. POWER: Would the hon. member be good enough to repeat that? I want to get it more accurately.

Mr. JACKMAN: I understand that there are some members of the Royal Canadian Air Force ground crew who would be fit as fighting men in the army, and at the same time the army has among its ranks those who are not fit for combatant service, low category men who would be good material for ground crew. Could an exchange be made? The suggestion has been made that the minister might not care for that idea, but there is nothing wrong with some of these men, and, after all, valuable as the services of the ground crew are,

such service is not quite as irreplaceable as that of front-line fighting men. I think the minister appreciates the point.

Mr. POWER: Does the hon. member think the ground crew in North Africa, in Ceylon and in the middle east are not fighting men?

Mr. JACKMAN: The other day I understood the minister to say that the ground crew overseas is relatively small—

Mr. POWER: I rather object to the hon. member saying that the ground crew are not fighting men. We have in North Africa, in Ceylon and in the middle east men who are as much fighters as the men in any other service.

Mr. JACKMAN: I confine myself to the ground crew within Canada.

Mr. POWER: Or in Great Britain?

Mr. JACKMAN: We are bound to have a very great number of ground crew men who must be kept here to look after training requirements of the joint plan.

Mr. POWER: I tell my hon. friend I am not going to have an organization of cripples.

Mr. JACKMAN: I am not suggesting that the minister should.

Mr. POWER: I tell you that right now.

Mr. JACKMAN: I do not suppose the minister imagines for a moment that I would press the matter so far.

May I ask the minister also if there was anything in the suggestion that was made in a newspaper about a fleet of air arm being formed? Surely that is not due to any suggestion of inability or inefficiency on the part of his colleagues, or otherwise, or that the Royal Canadian Air Force cannot look after patrol. It was a news item that appeared once and perhaps it was not official; nevertheless it was there. I understand that the fleet air arm in Britain is confined to aircraft carriers, and so far as I know, we have no aircraft carriers here.

The minister might also throw some light on the stores and equipment depots. I often wonder, when I see the tremendous equipment depot at the foot of Yonge street in Toronto, which has been filled for years with parts, what becomes of outmoded material. Have the old materials been moved out for replacement and their places taken by new materials so that the equipment in the various depots is fairly modern, or has any substantial part of these materials become entirely outmoded? I should not blame the minister if it has, because there have been great and rapid changes in connection with aircraft.

Then a question with regard to the Canadianization of the Royal Canadian Air Force. As we have seen from agreements which the minister has tabled, this Canadianization has gone on somewhat apace during the last year. I think the minister stated that in order to have sufficient ground crew to service our aircrew we should require something over 200,000 men. Obviously that would be impossible. Therefore we cannot hope to complete the total Canadianization of our air crew in the near future or perhaps during this war. It might not be practicable. However, as the hon. member for Calgary East mentioned, there are still some Canadians in the R.A.F who enlisted prior to or at the outbreak of the war. These men went over to Great Britain after, in some instances, taking some preliminary training here, and enlisted with the R.A.F. I do not know how numerous they are, but from time to time I have met Canadians in this category. The minister will probably have fairly exact figures.

Have these men been given an opportunity to re-muster into the R.C.A.F.? I think it was stated last year that some of these men had become so attached to the R.A.F. service that they did not want to change over, but I think they should be given an opportunity to re-muster, not only because they would be with their fellow-Canadians, but for other very practical reasons. There is not only the difference in pay between the English and the Canadian rates, but a Canadian in the R.A.F. is obliged to pay the British income tax. I was told by a Canadian squadron leader serving with the R.A.F. that after deductions his pay was equivalent to that received by a pilot officer in the R.C.A.F. who was serving in the same squadron in England. On the surface this seems to be an absurd situation.

In connection with pensions our government has seen fit to give Canadians serving in the Royal Air Force the Canadian rate of pension. So far as I can discover from the agreements, the primary responsibility for this pension is still upon the United Kingdom government rather than the Canadian government.

Mr. POWER: Those men are not covered by any agreement we have made with the United Kingdom. They have nothing to do with it at all.

Mr. JACKMAN: I shall quote from this letter to the Department of Pensions and National Health, as follows:

> Group 3 consists of a very much smaller number of personnel who, under certain recruiting offers which were made in Canada by the R.A.F. prior to the war, enlisted . . .

Mr. POWER: I am sorry, but I understood my hon. friend to be speaking of the air training agreement made in June of last year. The men who enlisted with the Royal Air Force before the war have not been covered by any agreement made by National Defence for Air of Canada with the air ministry. We have had nothing to do with them in so far as pensions are concerned.

Mr. JACKMAN: They are covered by the Pension Act. It was probably the minister's colleague who handled that. We have undertaken to see that those Canadians who enlisted with the Royal Air Force before the war shall get the same treatment, and I wish to make sure that this is not just a privilege which is being given to them, but a right.

Mr. POWER: It was granted by this parliament, so that I take it to be a right.

Mr. JACKMAN: It would be so under the Pension Act.

There are one or two matters upon which I hope the minister can throw some light. One is in connection with the appropriation of $93,000,000 this year for works and buildings. As the minister suggested in his opening speech, less building is being done this year. The whole air training plan has been set up, and it is now simply a matter of turning the wheels and getting production. Yet the overhead in connection with works and buildings appears to be maintained. I should like to ask the minister, when the time comes—it must be the same in this department as in many others—for a specific reduction to take place, just how the reduction will come about. There is always a reluctance to disturb a situation which is functioning.

Another word in regard to organization. I think one reason why the Royal Canadian Air Force has made such tremendous strides and achievements is the fact that it was a new service. At the beginning of the war the number of personnel in the permanent force was not sufficiently large to clutter up the machinery, nor was it sufficiently large to stop the wheels of progress, as some of us think has taken place in some of the older services. Adequate recognition has been given to personnel which did not see any great future in the air force in peace time, but did see a future in business, to which they applied their abilities. These abilities have been transferred to the air force and they have received the appropriate recognition. I think the minister has been wise to make sure of any contribution, no matter where it comes from, whether from new blood or from the old Royal Military College type if you like, and to give it due recognition.

[Mr. Jackman.]

Nevertheless, as your organization matures, things tend to become static, and you find new jobs for people who are simply performing functions which were performed by some of the old personnel. For instance, I understand that at one of the training centres the personnel is about double what it was in 1941, whereas the output of pilots has not changed at all. This tendency to increase overhead is common to all organizations, as the minister knows, and I believe he would want to check any growth along this line.

Mr. POWER: Would my hon. friend mind giving me privately the name of that particular station, so that I may check this matter?

Mr. JACKMAN: I shall be glad to do so.

There are a few smaller matters I should like to mention, but perhaps they can be raised more appropriately on the various items. I only hope that the minister will continue to make the progress and achieve the success with the R.C.A.F. that he has in the past, and that our boys overseas will continue the glorious work they have been carrying on in the past.

Mr. NOSEWORTHY: I shall not take the time of the committee to assure the minister of what he knows already, that all Canada is very proud of his boys in the air force and that by now I judge Germany and the countries under German domination have learned to fear them. I have a personal interest in the men in the air force, because more than three hundred boys from my classes and fifteen of the teachers with whom I worked before coming to the house are now in this force.

There are three matters I should like to call to the minister's attention. While the first may not be within the scope of these estimates, it has been referred to already and I am sure it will interest the minister. I wish to speak, as the hon. member for Calgary East and others have done, for our Canadian boys who are in the Royal Air Force. I know some of those boys who went to England on cattle-boats during the depression years, when they could find no employment in this country; who signed six-year contracts with the Royal Air Force and who were among the first Canadian boys to see active service in the air when war broke out. Practically all our legislation with regard to returned men and their rehabilitation provides that Canadians in the Royal Air Force or other branches of the services of the allied nations shall receive the same treatment as those in the Canadian forces, subject to the provision that

they must have been domiciled in Canada at the time of enlistment. Those boys, probably together with others in other branches of the service, were not domiciled in Canada at the time of their enlistment. Some of them are writing home now asking what their status will be when the war is over. I have been in communication with the Minister of Pensions and National Health on this question, and he assures me it is the intention of his department to see that those boys are brought within the scope of the legislation providing for rehabilitation. But unless this matter can be cleared up now, before those boys come home, it is quite possible that when the war is over, grounds may be found for excluding them from some of the benefits to which the boys in the Canadian forces will be entitled. Therefore I would suggest to the Minister of National Defence for Air and to the ministers of the other service departments that steps be taken now, before those boys come back, to see that their position after the war is clarified, so that there may be no doubt that they are entitled to whatever rehabilitation benefits are provided for the boys in the Canadian forces.

There is one other point of a similar nature to which I wish to direct the minister's attention; I imagine later on it will probably come under the administration of the Department of Labour. I refer to the matter of education interrupted by the war. A number of boys have written me wanting to know just what is meant by education interrupted by the war. I should like to impress upon the minister the fact that the training and educational advantages that have been given the boys in the air force, and the training that has been given the boys in the other branches of the service, have given many of them a new realization of the value of education. A great many of the boys who will return from overseas, who had very little interest in education before going into the armed forces, will be desirous of continuing their education, regardless of the point at which that education was interrupted. We shall find that many boys who did not finish their high-school education, who probably never gave any indication of any intention to enter university, will, in all probability, when they return, want to complete their high school education and to be given the privilege of entering a university. I have discussed this matter with the educational officers of the air force and army, and the consensus among them is that any boy who returns from the war should be given the privilege of taking up his education where he left off, without being asked to show that before he enlisted he intended to go through high school or on to a university or some other educational institution. I think in the interests of the future of this country we should provide for the boys who return from overseas any educational opportunities which they desire and of which they can make use. It will be of benefit to the boys now in the forces if some statement can be made clarifying just what is meant by that term, the continuation of education interrupted by the war.

I have one other matter which comes within the scope of the first item, which deals with civil salaries and wages. A year ago I was in communication with the minister concerning the wages paid to civilian employees at some of the air force camps. I understood then that steps were being or had been taken to improve this condition, and I have received information to the effect that the condition which prevailed a year ago has been considerably improved. But there are some of those camps in which veterans of the great war are employed as civilians at what I still consider very low wages.

Mr. POWER: If I may ask my hon. friend a question in connection with the class of labour to which he refers, are not those men employed at the prevailing rates in the different localities, as fixed by the Department of Labour? That was my impression, and I should like to know if that is the situation.

Mr. NOSEWORTHY: Here is one concrete example. A great war veteran employed at I.T.S. No. 5 near Belleville tells me that he receives $50 a month plus $1 a day subsistence allowance, giving him less than an average of $20 a week in all. The camp is situated at some distance from the city, and transportation costs most of the men going to that camp sixty cents a week. I do not know what the minister thinks, but to me that is a pretty low wage. I gather from the letter of this man that he has a fairly responsible position in the camp.

Mr. POWER: Unless the hon. gentleman has some other information I can only suggest that this rate of wages must be fixed either by the Department of Labour or by the civil service commission. I am quite sure that must be the situation, because we do not fix the rates of wages for this work.

Mr. NOSEWORTHY: I do not know who fixes it, but I would say that wage is too low for a man of that calibre.

Mr. POWER: I do not think it is very high.

Mr. NOSEWORTHY: This may not be the responsibility of the minister, but it is a matter which does affect men employed in his organization, and if he has any responsibility in the matter I would suggest that some adjustment should be made.

Mr. WARREN: I do not rise on this occasion to condemn or even to advise, but I do not wish this opportunity to pass without paying, on behalf of my riding of Renfrew North, a tribute to the Royal Canadian Air Force and the commonwealth air training plan. Sometimes I think we are inclined to forget the great background of the air training plan. We are inclined to forget the enormous amount of work that went into the setting up of the plan, before it finally got under way. We are told that originally the plan called for seventy-four air training schools dotted here and there across Canada, and that it was later enlarged to 154. Can anyone imagine the amount of work that went into the locating of those air training fields, right across the country? Can we properly understand the work involved in finding the right locations, and in surveying them? That work was done by the Department of Transport. It was a work which must have involved a great deal of effort and organization on the part of the officials of that department.

Then the Department of Munitions and Supply was called in to get the fields in order, to let contracts for the grading of land, the erection of buildings, the laying of pipelines, the supplying of water, the disposal of sewage and the installation of plumbing. All this involved a tremendous effort, one we are apt to forget about. It was accomplished, not only by the officials of that department but also with the aid of a great army of civilian labourers. They accomplished a magnificent amount of work in the preparation of these air training schools.

I believe the minister said that approximately 50,000 airmen who go aloft have been trained under the plan. That is surely an accomplishment of which we may be proud. A great amount of education is involved in the training of a pilot, an observer, an air gunner or any of the personnel who fly.

Sometimes I stop to think why those boys wanted to get into the air force. In the early days of the war the boys who complained to me were those who wanted to join the air force, and who did not know why they should not be accepted at once. They were clamouring to join, knowing all the time that a pilot, observer or air gunner must be trained to a high degree of perfection. They knew, too, that they had to be almost perfect physically and mentally, and that the educational standards were high.

I believe I heard the minister say on one occasion that possibly he had spoiled our young men who entered the air force. But he said he deliberately set out to do that, because he wanted the cream of the country. He set out to pay them well, to feed them well and to treat them well. He stated further that his plan worked, and that he got what he wanted. Even to-day boys from my constituency are still on the waiting list, and still clamouring to join the air force.

I presume one reason why they prefer the air service is that they know they will see action, and that the air force has been in the front line during a time when the army has had to wait. When a civilian decides to go to war he prefers to go at once, get the fighting over and be done with it. They want action, and our boys knew that if they were taken into the air force they would find plenty of action. They have covered themselves with glory in all parts of the world. I pick at random clippings from my home town of Pembroke, and I find that they record the deeds of many of our boys in all parts of the world—Egypt, Africa, Tunisia. They are here and there across the world. They are fighting, winning medals for their valour, doing splendid work and bringing glory to their country and to themselves.

There is another reason, however, why the boys want to see action. This was put beautifully in a letter written by a North Bay boy to his mother. It is contained in a newspaper article bearing the North Bay dateline of April 17, as follows:

> Mr. and Mrs. Arthur Boyer have just received a letter written by their son, Flt. Sgt. A. B. Boyer, R.C.A.F., who was killed in action overseas, last October.
>
> The letter was written last July and handed to a chaplain to forward in event of his death. It says: "I am writing this week in case I get killed, because if I did get killed I would want you to know why. It's because I have always loved you very much and I came over here, as all other Canadian did, to stop Hitler from going to Canada and doing harm to you."

That is very touching, and just the language a boy would use. I think he is right in saying that the motive in the minds and hearts of our young men, when they offered themselves to perform this dangerous task, was that they were thinking of their loved ones. They felt they had a duty to perform, a job to do, and they did not hesitate to do it.

I pay tribute to those boys of ours who have gone in that spirit to do their work, a work they are doing so magnificently and so well.

While I am on my feet may I pay tribute to the mothers who have given those splendid boys to this task. Some of the boys will not return to the mothers who gave them to their country. In those cases the mothers' hearts will be terribly broken. In other cases boys may learn in foreign lands that during their absence their mothers have gone to a better land. But they should not worry unduly. While the mothers are here, they pray unceasingly for the welfare of their boys. Their thoughts go with them; they live with them. But if they are taken, they go to a better land, and then I feel the mothers may be in an even better position to stay close to those boys to protect and care for them. I am going to put on record a poem written by Edna Jaques of Toronto which I think sums up the feeling of the mothers of the boys of the air force in most beautiful language:

"Son's Going Away"

Nobody mourns them as mothers do
Nobody watches and waits and weeps,
Love forgets and the world goes by
But mothers sorrow and pray and keep
Little bits of him treasured up
His old school sweater—his hockey cup.

Never a day goes by or a night
But she visions him in a hundred ways
He lives in the night, in the wind and stars,
He is part of her, and the weary days
Go empty save for her dreams of him
Brave as a lion, stalwart, slim.

She rides with him in his shining plane
Over the channel upon a raid
Sharing the cockpit, charting trails,
Flying his Spitfire, unafraid.
Prays for his safety, day and night
Upholding him by her love's sheer might.

Nobody mourns him as mothers do
Morning—evening—sunset and dawn
Love forgets and the world goes by
But mothers keep faith when hope is gone,
Steady and true as the stars above
Nothing can touch it—a mother's love.

Mr. JOHNSTON (Bow River): Mr. Chairman, I do not think there is anyone in the house or outside it who does not appreciate the work the air force is doing, and certainly no one underestimates the responsibility which these young fellows will have to assume in the very near future, to say nothing of the splendid work they have been doing up to the present. As time goes on, I think we shall realize that the air force is bound to become more important than perhaps any other branch of the armed forces. But there is one thing I would point out to the minister. In view of the fact that the air force will be called upon to render greater service as time goes on, and there will be a greater number of air force casualties too, we have not in my opinion expanded the air force as much as we should have done in Canada. From my experience in travelling over the country I believe that the air force is not being expanded as rapidly as it could and should be.

We have in Canada at the present time more training aircraft than the air force can use. I remember talking to an officer in one of the air force training centres, and I asked him if that was a fact. He told me that they were training men just as fast as they could with the facilities they had at hand. I said, "What do you mean? Have you not enough space here for landing fields, or buildings?" He said, "That is not necessarily the cause of our not training more men. The point is, we really have not enough planes." I drew his attention to the fact that we had in storage in Canada large numbers of training planes which were not being used. It seems to me that this condition of affairs should not exist. I know we should keep a sufficient number of planes in reserve in case of smashes or crashes and a sufficient supply of parts for repairs. But when this officer told me that they were not training any more men because they did not have the aircraft, that did not just jibe with what I knew to be the fact. My information is that we have more training planes available than the air force is using, and that as fast as the air force wants to expand the Minister of Munitions and Supply can supply the planes required if they would only order them. But I think the practice is that the Department of Munitions and Supply makes no move in regard to supplying planes unless the air force orders them.

That brings me to another point. I would ask the minister how it is possible for a man in the army to transfer to the air force. I believe that is being done. I recall that over a year ago a young fellow who was in the army in England wrote to me and wanted to know how he could get into the air force. That had been his goal ever since he enlisted, about six months after the war started. He was eager to get into the fighting forces and his choice was the air force, but he was advised at that time to join the army and that he would then have no difficulty in transferring over to the air force. He spent all his training time with the army here in Canada; then was sent over to England and was there for a year when he wrote me asking how he could get into the air force. I took the question up with the Department of National Defence and was informed by the department what steps he

should take. I accordingly wrote and told him what he should do. He did that, and then about two months ago I received another letter from him saying that he had not got into the air force but still had hopes of getting there. I would ask the minister how that can be done.

I also wish to bring to the minister's attention a case that came before me about three weeks ago. I would ask the minister, is a young fellow in the air force on the day he is sworn in? My information is that this young fellow was sworn into the air force on July 16. Then he was sent home on leave without pay. Was he in the air force on the day he was sworn in, or was he in the air force after he was called back from being on leave without pay? I should like the minister to settle that point, because it so happens that later on this boy developed a sickness and upon his discharge the question arose as to when he was in the air force.

Mr. POWER: I will look into the matter. Roughly I would say this. If he developed a sickness while on leave without pay and had not participated in any way in the work of the air force, I would hate to say that I would be responsible for him.

Mr. JOHNSTON (Bow River): He did not develop the sickness while on leave without pay. He came back from leave and was in the air force for four or five months.

Mr. POWER: My hon. friend will have to discuss that with the department of pensions. He certainly was in the air force if he served in the air force and was actually a member of the air force. But the question of responsibility for pension or compensation or what have you, is one for the board of pension commissioners and is not for the decision of the Royal Canadian Air Force.

Mr. JOHNSTON (Bow River): Would he be considered on strength the day he was sworn in on July 16?

Mr. POWER: I do not see how that question would arise if the beginning of the illness or disability occurred when he was a member of the air force. If my hon. friend would send me particulars—

Mr. JOHNSTON (Bow River): I think the whole thing hinges on whether he was on the strength the day he was sworn in.

Mr. POWER: If my hon. friend will let me have the particulars I shall be only too glad to hand the case over to pensions to get an opinion.

[Mr. C. E. Johnston.]

Mr. JOHNSTON (Bow River): I have already taken the case up with some of their officials but have not got very far. The whole case hinges on whether the man was on the strength the day he was sworn in.

Mr. POWER: I am quite certain the hon. member cannot get very far with me to-night because I would have to see all the particulars.

Mr. JOHNSTON (Bow River): Surely the minister could say whether a person—

Mr. POWER: The minister will not give a decision on a pension case. He never did it even when he was Minister of Pensions, and he is not going to start it now, when he is out of the job.

Mr. JOHNSTON (Bow River): I am not asking the minister to decide on a pension case. All I am asking is, was the man on the strength when he was sworn in?

Mr. POWER: I do not know.

Mr. JOHNSTON (Bow River): That is the whole point of the case.

Mr. POWER: I do not know whether he was on the strength for the purposes of getting a pension for disability or not. I would have to look into the matter. It is a legal question.

Mr. JOHNSTON (Bow River): Then there is a difference between being on the strength for pension purposes and being on the strength for service, I suppose?

Mr. POWER: I shall be only too glad to get the legal officers of my department to give my hon. friend the best legal reply which can be given.

Mr. GRAYDON: The minister should do better than that.

Mr. GILLIS: I am not going to take this opportunity to make a speech. The Minister of National Defence for Air made a comprehensive statement to the committee, and I do not think there is any doubt in the mind of anyone who listened to him about the job which the air force has performed since its inception; we also have some idea of the task which lies ahead for that particular branch of the service. The only observation I would make in this connection is that it is not good policy to take the position of eulogizing one branch of the service. I believe that if and when the opportunity comes, the army will acquit itself just as creditably as the air force. The same remark applies to our navy. It is merely that the air force has had the first opportunity.

To-night we are dealing particularly with the estimates as tabled by the minister, and,

in accordance with the understanding that we were to take them item by item and discuss them specifically, I shall take up the first item and make a few observations dealing with civil salaries and wages.

I believe the minister is aware that there has been some controversy across the country arising out of complaints, by civilian personnel employed by the air force, as to the cost of living bonus. I have had some correspondence, and I understand that national selective service, unemployment insurance, have made a decision to the effect that civilian personnel employed by the air force in the various camps across the country come under the air force direct in the matter of interpretation as to whether they come under the regular order 5963 or the supplementary order applying directly to this particular branch.

I have a complaint specifically from the airport at Sydney, Nova Scotia. It was handled by the regional war labour board and also by the unemployment insurance commission. The complaint is that the civilian personnel employed at that port were engaged with the understanding at the time they were employed that they were to receive forty-three and a half cents an hour, plus cost of living bonus amounting to something over $18—I believe $18.18—a month. The cost of living bonus has not been provided. The unemployment insurance commission, under date of May 19, 1943, observe that they are unable to determine the exact status from the information submitted and suggest that the question of rate should be taken up direct by the employees concerned with the officer commanding the Royal Canadian Air Force. Quite a number of people are affected, and I rise at this time to bring this point to the minister's attention so that he may make some examination with respect to that particular situation.

Mr. POWER: May I ask, did they take it up with the officer in charge?

Mr. GILLIS: I understand they did.

Mr. POWER: What happened?

Mr. GILLIS: There has not been any decision arrived at. It has been a matter of controversy for some months.

Mr. POWER: Has my hon. friend any correspondence which he can send over to me? I shall be only too glad to look into it.

Mr. GILLIS: Yes; I will do that.

Mr. KNOWLES: There are two matters under the item before us, namely, that relating to civil salaries and wages, about which I should like to make a few remarks. Before I do so, may I join in the tributes which have been paid by all hon. members who have spoken to the work which has been done in connection with the organization of the Royal Canadian Air Force, to the men and women in the force, to the families of those who have already made the supreme sacrifice, and to those for whom the present is a very anxious time as they listen to the news from day to day.

The cases to which I would direct the attention of the minister come out of equipment depot No. 7, at Winnipeg. The first case has to do with some forty-two employees who in June of last year were informed that trade tests would shortly be available to them in order that they might seek promotion as civil servants working in that depot. I understand that trade tests were conducted on August 17, and that the employees concerned had been advised in daily routine order 165, which had been issued on July 9, that those who were successful at these examinations would have their promotions made retroactive to July 1, 1942. After a considerable time it turned out that, although the tests were held in sufficient time for the increase to be made retroactive to July 1; although the employees had done everything that they were expected to do; although they were assured in daily routine orders that July 1 would be the effective date, still there was delay somewhere along the line, with the result that this matter did not receive the approval of the treasury board until some time after October 1. Accordingly, when the increase was granted it was made retroactive only to October 1 of last year, and the employees were so advised in daily routine order 307 of December 22, 1942. The employees, of course, were rather disappointed, particularly after they had been advised frequently that the effective date would be July 1. Immediately they got in touch with the officers on the station to seek an explanation and to see what should be done. I shall not take the time of the committee to go into all the details, either as to the explanation or as to what was done, but I may say that these employees have been in constant touch with the officers on the station and have endeavoured to work through them. In fact, the employees are quite satisfied that the officers in Winnipeg are with them in this matter and that they have done everything in their power to have the increase made effective at the date at which it was promised.

Some time after getting the news that the promise was not to be implemented, the employees were able to have one of their number visit Ottawa during the course of a

trip to the east and take up this matter with the authorities. At that time I was brought in contact with this particular situation, and I have been in quite close touch with it ever since. It was, I believe, in February or March that this representative of these forty-two employees was here. He was in touch with both the civil service commission and the Department of National Defence for Air. The whole story was gone into, and he was assured, both by the chairman of the civil service commission and by the officer in the Department of National Defence for Air, that the matter would be reconsidered. Accordingly, on March 29 of this year, the civil service commission approved an order for making these payments retroactive to July 1 of last year. On the same day, March 29, the approval of the civil service commission was sent to the treasury board. On March 30 the treasury board sent it back to the civil service commission with a request for further information which it felt it should have. The minister will realize what is happening when I give these dates, which are so close to the end of the last fiscal year. The result was that it was April 2 before the civil service commission was able to get back to the treasury board the information asked for on March 30. I emphasize that on March 30 the treasury board acknowledged that it had this matter in hand, because it was on that date that it requested this further information. Matters dragged on until April 22, when the treasury board sent the matter back to the civil service commission again, at this time advising that the change of effective date called for the signature of the Minister of National Defence for Air. I was in touch with the minister as well as with the civil service commission at that time; within a few days the matter was before the minister, and I understand that he signed it. On April 27 the formal application, with the joint approval of the civil service commission and the Minister of National Defence for Air, was again sent to the treasury board. I emphasize the fact that on March 30 the treasury board had had the matter sent back for further information, and that later it asked for the minister's signature. But on May 11, having secured these things the treasury board had asked for, it rejected the application that these payments be made retroactive to July 1.

I must say to the credit of the department that after that date, May 11, I discussed the matter quite fully with one of the officers and that as a result of that discussion the officer agreed with me that the case was one that merited an attempt to have it reconsidered, because the treasury board was apparently rejecting the application on the ground that it related to the last fiscal year whereas we were now over the line into the new fiscal year. I pointed out that the treasury board had the application for reconsideration on March 30, and that the matter had been hanging fire since last June, July, August and on through the year. I understand, in fact I have a communication to this effect from the department dated May 20, that the matter has again gone to the treasury board, with a request that they reconsider it.

I realize that the minister is familiar with the story, and if he reviews it he will find two or three points, on the basis of which he can say that the responsibility rests upon other shoulders. He can point out that last summer his department was in favour of the effective date being July 1, and that throughout the whole story he has been, or at least his department has been, in favour of the request of the employees. But the problem is still with us.

I do not know how to get at the treasury board; I have not been in the house long enough to find out. But in view of the fact that this is a matter relating to the civilian employees of the Royal Canadian Air Force, and that the item of money we are now voting is the money that goes to pay civilian employees, it seems to me that this is the place to raise the question, and I hope the minister will be able to give some statement at least indicating that he and his department are doing their very best to implement this definite promise which was made to this group of employees as indicated by certain daily routine orders that were issued. These employees were amazed on January 22, 1943, when they read in D.R.O. No. 17 of that day that one of their number had had the effective date of her increase changed from October 1, 1942, to July 1, 1942. They did not regret the fact that she was given what they were all asking for, but they found it difficult to understand why it was impossible to do for the rest of the group what had been done for her.

Mr. POWER: I wish the hon. member would tell me how she worked it. I would do it for the rest.

Mr. KNOWLES: I am glad to have that statement on the record. I will communicate it to the rest of the group and try to find out. I will give the minister by correspondence the name of the person who was more fortunate than the rest.

There is another matter I should like to discuss with the minister, but perhaps he might like to make a statement first in connection with what I have just brought to his attention.

Mr. POWER: I do not know what statement to make. I should like to know how they beat the treasury board. If anyone can tell me, I will throw up both hands and cheer.

Mr. KNOWLES: Will the minister at least confirm my statement that he and his department agree that the promise made these employees ought to be implemented and that he and his department are doing everything possible to that end.

Mr. POWER: I would have to look over the correspondence again, but I take it that my hon. friend's statement is accurate, and if we made a promise we will fight to have it fulfilled. But I will not promise that we can beat the treasury board.

Mr. KNOWLES: The other case to which I wish to refer arises likewise out of No. 7 equipment depot in the city of Winnipeg. This time it relates to a group of more than 200 employees, and I hope that in our discussion we do not have any passing of responsibility such as we had a moment ago in response to some of the remarks of the hon. member for York South. In this case we have a group of more than 200 men who are known as general duty men. They are not classified as civil servants, but they are employees of the Department of National Defence for Air, and I take it that their wages come out of the item which is now under discussion. The matter affecting these employees has its origin at least two years ago, and it is still hanging fire and causing a great deal of discontent and dissatisfaction among these men. There has been some change since they were first hired, but not a great deal. When they were first hired the desire of the department was to engage them at forty cents an hour, but it was discovered that the minimum wage or the fair wage provisions in the Manitoba act made it necessary to pay forty-five cents an hour, and that rate was paid. However, when the question of a cost of living bonus came into the picture and it was agreed that the men should get this bonus—let me make this clear—it was added to the forty-five cents which they were then receiving. In other words, they were paid forty-five cents, plus the bonus, for a matter of two or three months; I just forget how long it was. It was then discovered that it was possible to tell these men that before the bonus was paid they were getting forty-five cents an hour only because the provincial law required that they should be paid this rate, but since the cost of living bonus on top of the lower rate of forty cents would give them a total in excess of the rate demanded by the provincial law—I notice the minister is laughing, and perhaps it is amusing, if it were not so serious to the men concerned—

Mr. POWER: It is getting pretty complicated for me to follow.

Mr. KNOWLES: It is complicated, and amusing to some, but it is a serious matter.

Mr. POWER: I do not know who thought up the reason to keep these men from getting the bonus. He must have been trying very hard.

Mr. KNOWLES: He must have been a second cousin to the treasury board. Let me go back and line it up again. They were hired at forty-five cents an hour. They were paid this rate not because their employers, the minister's department, wanted to pay it, but because the provincial law required that it should be paid. Then when the bonus was paid—whoever thought up this scheme apparently did not think it up quickly enough, because they got the bonus for two or three months on top of the forty-five cent rate—these men were told that they would have to go back to the forty cent rate as a basic rate, because that rate plus the bonus would give them a little more than forty-five cents and the provincial regulations would thus be met. This happened perhaps two or three years ago and, while there has been considerable change in the personnel, these men have never got over what they felt—

Mr. POWER: May I ask what is the situation now?

Mr. KNOWLES: I was leading up to that point. The situation has been improved in the sense that the basic rate has been increased to forty-five or fifty cents, and the bonus is paid in addition. In a sense the situation has been corrected, but the injustice of the experience has stuck with them and they feel quite discontented and unhappy about the whole thing.

Mr. POWER: Was that the equipment depot at Winnipeg?

Mr. KNOWLES: Yes, No. 7 equipment depot. At that time I had not become a member of this house, but I was in contact with this situation. These men asked me to see what could be done, and I wrote to one of the members of this group, the hon. member for Mackenzie (Mr. Nicholson), who endeavoured to take it up with the Minister

of National Defence for Air. I shall not take the time to put the letters on the record, but the minister replied suggesting that the hon. member should get in touch with the Minister of Labour. He did so, and the Minister of Labour replied suggesting that it was really the responsibility of the Minister of National Defence for Air. These men kept after me to give them such information as I was getting, and when I showed them these letters it did not help matters a great deal. After I came to this house I made further inquiries about how these governmental boards were set up, for whom government employees work, who pays them, who decides how much they will be paid and so on.

An hon. MEMBER: Have you found out yet?

Mr. KNOWLES: Not altogether, but I know a lot more than I did before I came here. However, I still have a great deal to learn. The minister will correct me if I am wrong, but I did learn that these men are employed by his department and that the money paid them comes out of his estimates. That is the item we are now considering. So long as these men are not classified as civil servants but are considered to be general duty or common labourers, the rates paid to them are fixed, not by the minister or his department but by the regulations of the Department of Labour. These men do not think very kindly of the Department of Labour, largely as a result of the experience they had which I have outlined in some detail.

I found out also that if these men could be classified as civil servants, they would still be employees of the Department of National Defence for Air and would receive their pay out of this item, but their rates of pay and working conditions would be set by the civil service commission rather than by the Department of Labour. That cleared up a point in my mind which had not been clear before. I understood that these men were trying to get connected with the civil service commission. They pointed out to me that the work they are doing could hardly be called general duty or common labour. They have a great deal to do with storing and looking after quite valuable equipment. Some of the men have been there for a considerable time, and a large percentage of them are veterans of the last war. They are keenly interested in what they are doing, and they feel they ought to have a higher rating. They have become interested in the possibility of being classified as civil servants.

I took the matter up with the civil service commission. I have admitted already that there is a great deal I have to learn, and I may have made a mistake in going to the civil service commission before I went to the Department of National Defence for Air. I did not consider it to be a terrible mistake, but I have been told that it might have been better if I had made my representations first of all to the Department of National Defence for Air.

Mr. POWER: The Department of National Defence for Air would have sent them to the civil service commission, so that I thank my hon. friend for taking the short-cut.

Mr. KNOWLES: I thank the minister for absolving me of having made a serious mistake. The civil service commission explained the rigmarole which I have outlined and indicated that they were prepared to consider this application. Then we went through more rigmarole. The civil service commission has been in touch with the men, and they have been asked to fill out statement of duty forms as to what they are doing so that the civil service commission might draw up a statement showing whether the men would be better off in the civil service or under the Department of Labour, although they are actually in the minister's department. For a time it looked as though we were making pretty good headway, and the men were hopeful that a civil service classification would be granted and their rates would be higher. They would thus be able to forget the unfortunate experience they had when their rates and conditions were under the direction of the Department of Labour.

The upshot of this was that during the Easter recess an official of the civil service commission and an officer of the Department of National Defence for Air visited Winnipeg. I had quite a lengthy interview with them, and they went out and had interviews with the men. I should like to have gone with them at the time, but they advised against it, and whether or not I should have done so, I accepted their advice in the matter. Now I am told that the men were given a hypothetical choice to make. On the one hand they were asked if they would like to continue as unclassified, general duty men at the hourly rate and be given holidays with pay, one week or two weeks, or if they would prefer to become classified as civil servants with a possible reduction in their total income.

Mr. POWER: I do not know anything about this, but my impression is that if they were civil servants they would get holidays with pay and that if they were on the prevailing

rate they would not get holidays with pay. Perhaps my hon. friend has reversed the situation. If they became civil servants they would get holidays with pay. If they were not civil servants they would get the prevailing daily rate and would not get any pay while they were not working. Am I not right in that?

Mr. KNOWLES: The minister is making the very criticism of this proposal that was made to these men that I was about to make.

Mr. POWER: I do not know anything about this particular case, but for twenty-five years I have been fighting to get similar privileges for people in my constituency and have not succeeded. I understood that if one remained on prevailing rates one was not paid for holidays, whereas if one became a civil servant payment went on for the period of the holidays, one week or two weeks. If there is any change in that rule I do not know about it.

Mr. KNOWLES: That was exactly my understanding of it, and it was the understanding of the men to whom the proposition was put. I am quite sure the proposition was made in the way I have stated; as a matter of fact it was discussed with me in the interview I had with the two officials.

Mr. POWER: How could they pay people on prevailing rates if they did not work, if they were on holidays?

Mr. KNOWLES: That was my question.

Mr. POWER: This is a new one on me. I do not understand it.

Mr. KNOWLES: But that is what the men were asked, if they would like to continue on the hourly rate and have a concession which they could not possibly realize, or if they would prefer to become civil servants at a rate which was indicated by the officers as lower than actually it might be. The men feel that the proposition which was put to them was deliberately distorted in order to get them to say that they would prefer to remain on the hourly rate.

Mr. POWER: I do not know anything about it, but I hardly think a responsible officer of the civil service commission would make an offer that was not bona fide, at any rate. I should be surprised if he did, and I would draw it to the attention of the civil service commission if that were done.

Mr. KNOWLES: If the minister will look into the matter I think he will find that he should draw it to the attention of an officer of his own department. If my information is correct, and I have reason to believe it is, it was the air force officer who made the proposal with the official of the civil service commission standing by. If I may try to state their case, these men feel that the department does not want them to be classified, that the choice was deliberately distorted so that they would choose the alternative the department wanted them to choose.

Mr. POWER: I can assure my hon. friend that I do not care; I am all in favour of their getting increased rates. We are not trying to distort anything, so far as the department is concerned.

Mr. KNOWLES: May I say further that if the statement just made by the minister indicates his view on the matter—

Mr. POWER: I am afraid that will not help my hon. friend. I have been fighting the civil service commission and treasury board ever since I have been a member of this house, and I have been here since 1917, but it has not done me any good.

Mr. KNOWLES: I am still of the opinion that if the minister or the department would like to have these men classified, the civil service commission is ready to classify them, but that actually the officers in the minister's department are not sympathetic. They have given me their reasons for not being sympathetic, though I need not take time to give those reasons.

Mr. POWER: I should like to know them.

Mr. KNOWLES: Since the minister has asked for them, they feel that there will be problems related to getting overtime work out of the men if they are classified as civil servants instead of being on an hourly rate. That is the principal objection that was raised.

Mr. POWER: I was under the impression that it was just the opposite, that when you are in the civil service you do overtime work, but that if you are on a prevailing rate of pay you get time and a half for overtime.

Mr. KNOWLES: At least one officer in the minister's department feels that there would be difficulty in persuading the men to work, even though civil service regulations say they may have to, after having been paid for it. He also felt that there would be difficulty as between these civilians and the service personnel. I am glad to hear the minister's statement, despite his feeling that it will not do any good. I am glad he is for a civil service classification in a case like this; and if

he will go ahead and battle this thing through, from my talks with the officials of the civil service commission I have reason to believe that something can be done. Let me make this comparison. In the other case about which I was talking, the case of the forty-two whose promotion was made effective on the wrong date, the department was on the side of the employees, while the civil service commission did not stand up for them at first, although later it agreed with their request. In this case, however, the civil service commission has already indicated to me its willingness to go ahead and classify these men, certainly if the department asks for it. I may repeat that it was at a fairly late stage of the proceedings that I was told that the attitude of the Department of National Defence for Air toward this whole matter might have been more sympathetic if it had come about either through my going to the department or through the men making that approach, but that my having gone to the civil service commission—

Mr. POWER: I hope my hon. friend will disabuse his mind of that idea. I have not the slightest objection to his going over my head to the civil service commission at any time.

Mr. KNOWLES: I am glad to have that statement from the minister. Now it is on record, and I should be able to use it if ever I am told that sort of thing again.

Mr. POWER: You bet.

Mr. KNOWLES: I am now told that conditions are getting a little worse. For a considerable length of time the personnel of this group of over two hundred did not change a great deal, but lately the personnel has begun to change quite considerably. I am told that every day men are resigning or are being discharged and are being replaced the next day with other men sent over in response to applications made to selective service; in fact, the selective service office at Winnipeg is now beginning to wonder at the turnover at this place. The men themselves are wondering whether this rapid change in personnel, which occurs partly because the men are getting fed up and leaving and partly because some are being discharged, is an attempt to break up this group which has been struggling in this matter for about two years. They wonder what is happening, and are becoming quite discouraged. As I have already indicated, I have been in touch with this matter for at least a year and a half; and these men have been in touch with the Department of National Defence for Air and the Department of Labour for about two years. And yet through all this time this matter has never before been brought up in the house or in committee. An attempt has been made to deal with the matter direcly with the department. That has been my aim right along. But I feel the thing has reached the stage where it is necessary to say something about it in a more public way, and to express here the hope that the minister will do what he can to fight this case. I do not share the sense of futility he seems to have as to the effectiveness of his activities in the matter. I believe that if I can enlist his support on behalf of these men, despite what he says some good will come of it.

Mr. POWER: I shall be glad to help all I can against the civil service commission at any time. I moved for its abolition on three occasions in this house.

Mr. KNOWLES: This is a serious matter.

Mr. HANSELL: Reverting to the discussion raised a little while ago by the hon. member for Bow River, may I point out that the minister seemed to focus his attention on the point as to whether or not that particular case was one for the pension board. I am not going to discuss the case, but I believe that a principle worthy of some clarification is involved.

As an illustration I shall present a set of circumstances to the minister. The young man in question is, we will say, around the age of nineteen years. Recognizing that he may be called into the services, he enlists in the air force. But he does not wish to be called immediately. The fact is that he is not called, but enlists and obtains his number. Then—and I do not know whether I am using the proper term—his file is put back, and there is a general understanding between him and the recruiting officer that he will not be called until a certain date. After that, should he be checked by the mounted police—and that is not likely—he has in his pocket documents showing that he has enlisted. Then the time arrives when the air force calls him to the service. Five or six months may have elapsed between his date of enlistment and the date he is called up and sent to the manning depot, or to the training centre. Is this young man considered to be in the air force at the time of his original enlistment?

Mr. POWER: Yes.

Mr. HANSELL: I will leave the case mentioned by the hon. member for Bow River in the hands of the minister and the hon. member. The statement is, however, that this young man is now enlisted, and on strength.

Would the minister make a statement with respect to decorations, awards, medals and the like given to members of the air force who have rendered outstanding service? I ask the question because I am under the impression that usually awards are given to those men in the air force who have commissions, or who are in higher ranks, and may have better opportunities to distinguish themselves. The mere fact that they are in positions of authority may win them awards, whereas those who serve under the officers—wireless air gunners, air gunners or men of lower rank, but serving in aircrew—do not seem to receive the same distinctions. The country would like to have a statement from the minister. I was asked about this matter by a man well known in public life. How are these awards granted? On what basis are they given, and what process is followed in giving them?

Mr. POWER: The question of awards is a difficult and complex one. I cannot answer the hon. member offhand as to how awards are given. I suppose he is aware that overseas awards for gallantry are usually granted on the recommendations of a commanding officer. Then, through a routine process the recommendation reaches the higher authorities. Awards other than awards for specific acts of gallantry—these are periodic awards—but for service over an extended period, and not necessarily including acts of gallantry, are usually given upon recommendation of the commanding officer of the command, group, unit or whatever the formation may be. Beyond that I am afraid I cannot go into detail, because I have never looked into the matter carefully. However, I shall do so, and I shall be glad to give the hon. member all the information I can to-morrow.

Mr. ROSS (St. Paul's): There are several points I should like to mention, but first may I say that as I look across the floor of the chamber I see my old friend who is commonly known as "Chubby" Power.

Mr. POWER: Tut, tut!

Mr. ROSS (St. Paul's): I think "Chubby" Power is well named. We all have the greatest respect for him. As a matter of fact the country wishes it had three "Chubby" Powers in the House of Commons, instead of one, and that they could be in charge of the three defence departments. The minister, as a matter of fact, is more or less human—and that is something not peculiar to ministers. Most ministers I have known have not been human at all, except, of course, the Minister of Pensions and National Health. Sometimes he is human, too. But they are the only two in the cabinet who are any good, anyway. You could wash all the rest out—and that is what the public thinks, too. The rest of the cabinet are just a wash-out; but these two are pretty good. I have not had enough experience with the parliamentary assistants to express any opinion, but we shall get to know them, just the same as we know the ministers.

I have one or two observations to make which may be worth while. First of all, I take off my hat to these gallant boys of the air force. But in all our armed forces we have the youth of Canada who are equally impressed with a sense of their duty and each of them will do his duty when the opportunity comes. Canada's air force has done a marvellous job for Canada but it has had more opportunity. I am sure that when the army gets its opportunity it will give just as good account of itself as all our other forces. I do not think it is quite right for us to eulogize one force and not pay tribute to the other branches of the service as well. Of course, we all realize that when our air force is on a bombing raid over Europe the sacrifice of one of our pilots might mean the saving of possibly ten thousand lives. I want the minister to listen to me for a moment.

Mr. POWER: I am listening.

Mr. ROSS (St. Paul's): I did not catch the minister's eye. These boys of the air force are all young. You have picked out the best of the whole crowd—

Mr. POWER: Hear, hear.

Mr. ROSS (St. Paul's): Well, you have just picked them out, that is all, but equally fine young men have been picked for the army and navy, too. They are all young, and what I wish to know is this. After the war is over, what do you propose to do about giving these young men the university training they otherwise might have had. What opportunities will you give them to carry on and make their way in life?

I should also like some information about transfers from the Royal Air Force to the Royal Canadian Air Force. A great many lads who were turned down by the Royal Canadian Air Force in the early days went over to England and joined the Royal Air Force. Some of them now want to transfer to the Royal Canadian Air Force. I hope the minister will give some information on that question. Another question that arises is that of seniority. What positions are they to have? How is seniority to be worked for them in so far as the permanent force is concerned and so far as the temporary force or whatever you like to call it is concerned?

The Minister of Agriculture the other day said that rumours had come to his ears of extravagance on messes. I must say that I, too, heard something about extravagances and so on. But when you look into it you find that where there is a fairly nice mess, whether in the air force, the army or the navy, somebody donated all this stuff. No question like the extravagances we heard about in connection with rugs enters into the matter at all. Some people when they see a nice mess get the idea that there is extravagance and that everything is cockeyed. But the truth is that very often the equipment has been donated.

I should like to know what we are doing about gliders in Canada. Are we doing anything in connection with gliders?

I think the people of Canada would also like to know something about our activities in connection with the United States air force in Alaska.

I should like to know something about air defence in the St. Lawrence. I do not know whether the minister is free to tell us anything about that, but it is a subject in which the public is interested.

Do we propose to have a fleet air arm in Canada? Can the minister tell us something about that?

What about the standards for enlistment at the present time? What are the requirements?

Mr. POWER: The physical standards?

Mr. ROSS (St. Paul's): The physical standards, the educational standards, qualifications as to age and so forth. What enlistments do we require in the air force to-day? Do we need any more ground crew, repair men, and so forth? The minister knows what I mean.

I should be glad if the minister would tell us something about equipment depots. What personnel is required for an equipment depot? Where are our equipment depots? What do they do?

There is also the question of financial responsibility for the Royal Air Force in Canada and the Royal Canadian Air Force overseas. Are the pay and allowances for the Royal Air Force in Canada on the same basis in Canada as for the Royal Canadian Air Force in Canada?

Mr. POWER: The answer to that is yes right away.

Mr. ROSS (St. Paul's): The pay and allowances are the same? O.K. I think I have now all my questions off my chest except the question of commissions for our air force. The minister has already been asked several questions about that. I do see an incongruity, and this happens in certain cases, in having a sergeant-pilot taking a bomber over Germany with a pilot officer or a flying officer as part of his crew. I do not know how that works out, but I do know that it has happened on many occasions. My personal opinion is that all these men who go into the air, after they have had a certain number of flights, should automatically become officers if they qualify. Perhaps the minister would make a statement on that.

One last word. I wish to pay tribute to all those men of Canada in the Royal Canadian Air Force who are doing such a magnificent job and to all those who unfortunately have lost their lives in the service of their country. Their names will live forever. Too much cannot be said for what they have done for Canada.

Perhaps when the minister makes his statement he would tell us the number of Canadians in the Royal Air Force and in the Royal Canadian Air Force who have lost their lives or been wounded or made prisoners of war. I congratulate the minister, not for himself, but for all those fine men in the Royal Canadian Air Force who have such a wonderful sense of duty and are doing such a marvellous job so far as Canada is concerned.

Mr. PERLEY: I have only two questions, and I shall be quite brief. I ask them now, although I do not see any item in this break-down of the minister's estimates which they come under.

First, may I join with many other hon. members who have spoken this evening in expressing appreciation of the valour and self-sacrifice of the splendid young men and women whom we have in the Canadian air force. Had I the time I would tell of the splendid type of enlistments in that part of the province of Saskatchewan which I represent. Not only are they qualified from the point of view of education, but physically they are splendid men. I regret to have to say that many from our own community have already made the supreme sacrifice. No doubt the Royal Canadian Air Force will play a very important part in the months to come in the winning of the war.

We have listened this evening, as we did while the estimates of the Minister of National Defence (Army) were before the

committee, to various hon. members bringing individual cases before the minister. I think a great deal of time could be saved if, instead of putting these cases before the minister while he is sitting in committee, hon. members would bring them to the attention of the proper officers of his department. Rules and regulations have been adopted for the guidance of each branch of the armed services, and if hon. members will acquaint themselves with the conditions governing promotions, salaries, salary increases and pensions, and then will carry on their inquiries in the correct way, by going to the proper authorities, they could save us a lot of time. I will say this for the minister who is before us this evening, that they will get action. I have taken three or four cases to him. In one case we got action so fast that the man concerned obtained his postponement and was out of the air force before he realized it. I appreciate that the air force must be governed by rules and regulations, and I repeat that if hon. members will study them and follow the right procedure they will soon obtain the information they require and will be able to advise those who write such letters as we have heard so much about to-night.

I have two questions to ask the minister. One of the young men in my locality is a prisoner of war. He was in England when the war broke out, joined the Royal Air Force, and was taken prisoner. He would now like to transfer to the Royal Canadian Air Force, and I wish to know from the minister how he can go about having a transfer made. He has made representations through certain authorities, but without getting satisfaction, and he would like to have the application definitely dealt with.

Another subject to which I would invite the minister's attention relates to cases of men—I have two particularly in mind—who were killed while serving in the air force. They were industrious chaps and had opened a savings account in a bank in England. Their parents are unable to get any action with respect to the transfer of these accounts. One of the cases is of six months' standing, and one family which is concerned with this question has three sons in the air force, one of whom has already paid with his life.

Mr. POWER: That is the estate of a deceased?

Mr. PERLEY: Yes.

Mr. POWER: I must say that earlier in the war there was a great deal of confusion and it took months and months to get estates settled. But only two or three days ago I inquired as to the progress in settling estates, and I am informed that over two thousand had been already settled and another fourteen or fifteen hundred are well on the way to settlement. I will get these figures for my hon. friend. If he will let me know the particulars to which he refers we will cable to England.

Mr. PERLEY: I do not think the parents are so anxious for an immediate settlement that that is necessary.

Mr. POWER: As I say, there was a great deal of delay at the start, but I know things are being hastened.

The other question, regarding the transfer of a prisoner of war to the Royal Canadian Air Force, is really a poser. I never contemplated that, and I do not think I can do much about it.

Mr. GERSHAW: I wish to bring to the attention of the committee and the minister the matter of getting compassionate leave for some members of aircrews. It seems to be settled policy that a member of an aircrew cannot get leave or be released from the service under any circumstances whatever. It happens that conditions in the homes of some of these people—I have farm homes particularly in mind—change rapidly, and I have learned of some very unfortunate cases. One I have in mind is that of a young man, an only son, who enlisted in good faith. His father has been taken seriously ill; yet it is quite impossible for the young man to obtain a long enough leave to go back to the farm and carry on until the farm and the stock can be sold or some other arrangement made.

I quite realize that it costs a good deal of money to educate a man in an aircrew. I realize, too, that these boys are doing wonderful work and are badly needed at the present time. But it is most discouraging for some to find that farm help cannot be obtained and that although their families are suffering very severe financial loss they cannot get leave to go home. It seems to me that often the commanding officers to whom applications are made are not very sympathetic. Sometimes the file is missing; weeks and months go by, and the lads become discouraged and feel that the sacrifices which they are asked to undertake are out of all proportion. Could the minister not suggest some way whereby leave could be granted for at least a number of months, or the boy be allowed to get out of the service altogether where desperate conditions have arisen in the family which would make compassionate release seem justified.

Mr. STOKES: In connection with this item we are discussing, I wish to ask the minister

a question somewhat along the lines of those of the hon. member for Winnipeg North Centre. I speak with some trepidation after the remarks of the member for Qu'Appelle, who advised us not to ask the minister questions and then asked a few himself. My question is with regard to the variation in the rates of pay for ordinary service men at Trenton air station. The men whose case I am discussing are not receiving cost of living bonus.

Mr. POWER: Civilians?

Mr. STOKES: Yes. They advise me that there are men on the staff who do receive cost of living bonus. The men in particular to whom I refer work long hours, as high as ninety a week, and they have not been able to get a satisfactory disposition of their claims. That is the question I wish to put to the minister with regard to civilian employees.

Mr. POWER: I will look into it.

Mr. FRASER (Peterborough West): Following what the hon. member for Qu'Appelle has said, I have had a number of cases in regard to airmen who have been killed and whose estates it has taken months to settle.

Mr. POWER: I agree with my hon. friend, but I made inquiries only a few days ago and they said the situation was better.

Mr. FRASER (Peterborough West): Have they a new system of checking, or is it due to the fact that the officers in charge have not been reporting these cases properly or sending them here? I have received letters—

Mr. POWER: I imagine it is better organized, and the fact that we are having a hand in it might account for the improvement.

Mr. FRASER (Peterborough West): If you had a hand in it, it would be better.

Mr. POWER: I mean, the Royal Canadian Air Force having a hand in it overseas, which they did not have at that time.

Mr. FRASER (Peterborough West): This is also in regard to Newfoundland. I am thinking of the fire there. In Peterborough we had a man who was burnt to death.

Mr. POWER: We cannot blame it on anyone but the R.C.A.F., but if there is anything wrong we want to know.

Mr. FRASER (Peterborough West): This case has not been settled, and it was said that the facts had not been sent to Ottawa.

Mr. POWER: Will the hon. member send me the details?

Mr. FRASER (Peterborough West): Yes.

[Mr. Stokes.]

Mr. HAZEN: There is some information under this item and the next which I should like to obtain. Will the minister furnish the number of civilian personnel and the number of air personnel employed by his director of public information, or publicity department, during the past fiscal year or up to any subsequent date, and will he let us know how this personnel is distributed by provinces or by military districts, also the number in Great Britain, if any, and the number in the United States? Will the minister furnish us also with the total wages and salaries paid to civilian personnel and air personnel who are employed in his publicity department or by the director of public relations? Will he give also the total travelling expenses and all other costs and expenses that were paid to these civilian personnel and service personnel during the past fiscal year or up to any subsequent date? Will he let us know also how many of the personnel, both civilian and service, in this branch of his department receive salaries over $5,000, if any; how many receive salaries of $4,000 or more; how many receive salaries of $3,000—

Mr. POWER: I will give all the salaries. Why ask for $4,000 or $5,000? We will give them all from nothing up. I was under the impression that these questions had been made an order for return already. I am not sure.

Mr. HAZEN: If they have, I have not seen them.

Mr. POWER: Anyway, I will give them.

Mr. GRAYDON: Under civil salaries and wages, may I ask the minister whether or not the bomber command comes within the purview of the operations of the Royal Canadian Air Force? My understanding at the moment is that it does not, but I was wondering whether in the civil salaries and wages here the bomber command actually came within the purview of the department.

Mr. POWER: The ferry command?

Mr. GRAYDON: That is what I mean.

Mr. POWER: We have nothing to do with that.

Mr. GRAYDON: As a matter of information, under whose jurisdiction is it? I should not say the bomber comand, nor is ferry command the right term; transport command is the actual designation in the income tax act. Who is it that provides the salaries for these men, and under whose jurisdiction does the transport command operate?

Mr. POWER: It is absolutely independent of the R.C.A.F. We have no control or juris-

diction; we have nothing to do with pay or anything else. It is the government of Great Britain.

Mr. GRAYDON: When the minister says the government of Great Britain, does he mean that the Royal Air Force of Great Britain has control?

Mr. POWER: I cannot give my hon. friend all the details. The ferry command started as the B.O.A.C., the British Overseas Aircraft Corporation. I do not remember what the name was, but it got mixed up with the Canadian Pacific Railway, who furnished pilots and a great number of personnel, and after that it was taken over by the R.A.F. ferry command under Sir Frederick Bowhill in the last two or three months. They formed it into the transport command, with different branches, and it is controlled by the British government. We have nothing to do with it except that frequently we furnish personnel to the ferry command and they ferry bombers overseas to do work for them.

Mr. GRAYDON: Supplementary to what the minister says, when the Royal Canadian Air Force provides personnel for the transport command, are these particular personnel under the rates of pay of the Royal Canadian Air Force, or do they participate in the higher rate of pay of civilians in connection with the transport command?

Mr. POWER: So far as I know they are still under R.C.A.F. rates of pay. I do not think they get a higher rate of pay.

Mr. GRAYDON: If that is the case—

Mr. POWER: We do not pay them.

Mr. GRAYDON: —what you have, then, is some men ferrying bombers across at Royal Canadian Air Force rates of pay which are proportionately a good deal lower than those of the transport command?

Mr. POWER: I believe that was one of the reasons why the Canadian Pacific came into the business. They employed a great many Americans and were paying them $2,000 a month, as against Royal Air Force or Royal Canadian Air Force men who were getting $150 a month. They figured they had to get these men to perform that job of work. We have had nothing to do with that. That was entirely a responsibility of the British government, and I must say that a great many of the boys who were taking the same risk and doing the same job did not like to get ordinary rates of pay. I understand that now the rates of pay for civilian ferry pilots who work alongside Royal Air Force or Royal Canadian Air Force men are a great deal less than they were originally.

Mr. HARRIS (Danforth): In reference to another subject matter, the minister will recall that two years ago he, as minister, and his department conceived the idea that probably like services in the Department of National Defence for the army and navy, and even for pensions and national health, might coordinate their efforts by convening all the heads of such services as medical services and hospitalization where the type of work was much the same. I will admit that they did not have much success or did not carry out the idea originated by the Minister of National Defence for Air. No one was placed at the head of this coordination committee. Perhaps between now and to-morrow when the minister is to make his reply he will look into the matter and see what has been done to appoint a head of this coordination committee and have it called at the proper time. I am also anxious to know if a secretariat has been set up for this committee so that minutes and records may be kept of what they are able to do. If this committee is not functioning or cannot function for some reason or another, I should like to know. I realize that sometimes it is difficult for men in blue to associate with men in khaki; one service finds it is hard to attend on the other. I was hoping that something would develop from the minister's original idea which I thought was sound and which I felt would save this country many thousands of dollars. He will recall that the plan covered not only the three armed services but also certain branches of the Department of Pensions and National Health. A short statement as to where the matter stands would, I am sure, be appreciated by the committee.

Mr. POWER: The committee on hospitalization is functioning, and functioning extremely well. At present all four medical services are represented, the armed services, and pensions and national health. It is headed up by Colonel Currie, of the Department of National Defence. There is no hospitalization scheme or anything connected with hospitalization that goes through the treasury board or privy council, or is submitted to the ministers without being submitted to this committee. It is one committee that is working extremely well and it sits almost every day.

Mr. HARRIS (Danforth): Does its work cover the medical services?

Mr. POWER: So far as I know, the committee has nothing to do with medical services.

It was really constituted to see that hospital facilities across the country were not duplicated.

Mr. GREEN: How long has it been functioning?

Mr. POWER: It was started about two years ago. I do not know when it really struck its stride, but it is in its stride now.

Mr. HARRIS (Danforth): Following the matter of medical services is the question of medical supplies. As the Minister of Pensions and National Health knows, there is a duplication in connection with those responsible for providing supplies for the different hospital units. The Minister of Pensions and National Health is fortunate in having a service which has been built up over two or three decades and is in good working order. However, the department which has to do with medical supplies for the air defence and the department that has to do with supplies for the army have been in a deplorable tangle. I was hoping that the tangle might have been straightened out by coordinating the different branches which are handling the same supplies.

If the minister feels so disposed, perhaps he will enlarge upon his statement and place a deposition on the record in connection with medical supplies. The supplies run into many millions of dollars, particularly when you get into X-ray equipment and equipment of other types. Undoubtedly there has been considerable duplication. I hesitate to say it, but the supplies branch of the Department of Pensions and National Health apparently are not aware of the working of the supplies branch of the army. One is situated across from the Chateau Laurier, the other being on Kent street, and there does not seem to be any cooperation between these particular units. The department for air was not organized with regard to supplies.

Mr. POWER: The army purchases all our supplies with the exception of special equipment, such as X-ray equipment.

Mr. HARRIS (Danforth): The view is taken in England, and perhaps it is quite sound, that air should handle hospitalization connected with the physical endurance which must be undergone by members of the air force. These men face particular hazards, quite different from those faced by men in the army. In that view I concur. I agree with the extent of the hospitalization which has to do with the peculiar operations of the Department of National Defence for Air, but when it comes to dealing with the ordinary sicknesses to which we are all subject I think there should be the maximum cooperation to provide the maximum service at a minimum cost.

For the information of the minister I would say that there seems to be a tendency on the part of his department to set up an organization to deal with all phases of this work, quite apart from the special hazards of his branch of the service. As I say, there could be considerably more cooperation, and those in the minister's department who are charged with this responsibility should be encouraged to cooperate to the fullest and enlarge their activities only in connection with the special hazards of their particular service rather than to try to enlarge them to cover the entire field of hospitalization.

Many of these men find themselves located in small communities. While up Goderich way, I had the pleasure of the company of half a dozen of the young men from the field there over the week-end. They tell me that they have to get hospital treatment and medical supplies in a small community in Huron county. I suggest to the minister that he encourage his medical officers and those charged with this responsibility to use, wherever possible, the local facilities instead of setting up too many expensive units here and there across the country.

Mr. GRAYDON: Would the people employed at the privately-owned training schools come within this item of civilian salaries and wages?

Mr. POWER: They would come under civilian schools.

Mr. GRAYDON: The item in the army estimates covering civilian salaries and wages for this year amounted to a little over $9,000,000, whereas the similar item for the air force comes to some $18,500,000. I think by way of clarification the minister ought to indicate the main items that would be responsible for such an increase, having regard to the difference in size as between the two forces.

Mr. POWER: I do not know just how many civilians the army have in their employ, but we have somewhere between fifteen and sixteen thousand. I will say to my hon. friend that very early in my career as a minister I insisted that as far as possible where one could get a civilian to do the work, one should do so rather than get a service man. I preferred that. As time went on, it became impossible to get civilians and I have had to

use more service men, so that probably we have proportionately more civilians in our employ than they have in the army.

Mr. GRAYDON: Then is it fair to assume that the average rates of pay of those engaged as civilian personnel are higher than the rates of those in the service generally?

Mr. POWER: The average civilian rate is $1,210 per annum. So far as civilians are concerned, if they are casual labour or what we call exempt positions from the civil service commission; they are employed at the rates prevailing in the locality. Otherwise they are under civil service rates, whatever they may be, for that particular class of work. There is no difference between our rates of pay for civil servants and those of any other department. Perhaps seventy-five out of the whole fifteen thousand were appointed directly by order in council. The remainder are under the civil service or in a class which is exempt as casual labour.

Mr. GRAYDON: Has the minister adopted this policy largely as an economic measure, or was there any other reason?

Mr. POWER: Early in the game I felt that sooner or later there would be criticism in this house and in the country if a very large number of people in uniform were doing work that could be done just as well by civil servants. I held to that theory until such time as we could no longer get civilians; then it was necessary to use service personnel. It was really from a political point of view as much as any other; I do not think the question of saving money entered into it, because I do not believe there is very much difference.

Mr. GREEN: What is the practice with regard to the civilians who are employed at the different air stations? Do they take an oath of allegiance, or what is the provision in that regard?

Mr. POWER: I am told that they do take an oath of allegiance.

Mr. GREEN: I suppose they come and go a great deal?

Mr. POWER: Yes.

Mr. GREEN: I understand, for example, that at some of the stations many civilian waitresses are employed.

Mr. POWER: I would not think so, at any of our service stations. There may be some at the civilian training schools; I would not know about that. At nearly all our service stations the waitresses are members of the women's division of the air force.

Mr. GREEN: What about the training stations?

Mr. POWER: They are all under contract with the department; they look after the food and everything else.

Mr. Green: But they have civilian waitresses at the training stations?

Mr. POWER: I would not know whether or not they have civilian waitresses, but I would suspect so.

Mr. GREEN: Is it the intention to replace those waitresses by members of the women's division?

Mr. POWER: No, not at contract schools. These civilian training schools are operated on a contract basis; we just pay them the contract fee of so much.

Mr. GREEN: I do not mean the civilian training schools; I mean the training stations operated by the air force.

Mr. POWER: I do not think we have any civilian waitresses; I cannot think of any at our own service schools. We would have a great many of the women's division of the R.C.A.F. They are in the service; they are enlisted.

Mr. GREEN: But no civilian waitresses?

Mr. POWER: I do not think we have any; I should be very much surprised if we had.

Mr. GRAYDON: Then may I ask whether under this item covering civil salaries and wages will come the provision for the new R.C.A.F. cafeterias in Ottawa, about which we see so much in the newspapers from time to time? Perhaps in view of the minister's keen interest in this matter and his desire to give the committee information on these points, he would not mind saying a word to the committee now with respect to the position in which the air force now finds itself.

Mr. POWER: I really do not know just what I can tell the committee that they have not read over and over again, rightly or wrongly, accurately or inaccurately, in the Ottawa newspapers.

Mr. GRAYDON: Perhaps we should have an accurate account.

Mr. POWER: Perhaps you had better get it from the newspapers; they seem to know far more about it than the minister does. We were operating a cafeteria for our employees, both civilian and service, in the Lisgar building.

Mr. GRAYDON: That is the building out near the farm?

Mr. POWER: No; the one in the Lisgar building; the other one was not to be taken over until to-day, I think, or to-morrow. In the Lisgar building, where headquarters is located, the service was performed by service personnel, and for that reason the cost was comparatively low in comparison with that of similar meals outside. Then it happened that trouble developed at No. 5 temporary building, near the farm, and I understood we were asked to care for our nine hundred employees there. We undertook to do so in the same way that we were operating the cafeteria in the Lisgar building.

Mr. GRAYDON: In other words, by air force personnel?

Mr. POWER: Yes. After some discussion as to the prices to be charged it was decided that in order to be fair to everyone and so that there would be no discrimination later on, when the government policy with respect to cafeterias generally in Ottawa is developed, for the time being the same prices would prevail at the farm and at the Lisgar building as had prevailed hitherto; that is, comparatively low prices at the Lisgar building and prices somewhat higher at the farm. These will remain in force until about June 20 or June 21, at which time comparisons will be made, and it will be our endeavour to see whether the prices cannot coincide, to some extent, and to ascertain the real costs of carrying on these operations.

Mr. GRAYDON: You do not know yet whether you are losing or making money?

Mr. POWER: I think on the straight cost of the food alone I am not losing much in the Lisgar building; I do not know whether I am making much either. At the other building, with all services furnished free, so to speak, by the R.C.A.F., I rather imagine some money would be made. I am not sure, though; I am not very familiar with this matter. I learned most of it from the newspapers.

Mr. GRAYDON: A moment ago the minister mentioned a general policy on the part of the government with respect to cafeterias.

Mr. POWER: It is being developed now.

Mr. GRAYDON: Did I understand the minister to say that this policy has already been defined?

Mr. POWER: It is under very serious consideration, and I imagine the results of these two experiments will be taken into consideration before a policy is defined.

Mr. GRAYDON: Does this mean that the government has in mind eventually providing a cafeteria service for its employees in Ottawa generally?

[Mr. Graydon.]

Mr. POWER: I think they have in mind some attempt to solve the difficulty of obtaining meals at the present time, under my hon. friend the Minister of Pensions and National Health, who will endeavour to obtain the best kind of nutrition at the lowest possible cost to civil servants generally, and particularly the low paid civil servants. I am speaking only in broad terms, because I know it has been a matter of consideration by the government for some time, but I do not know that any policy has been defined. The experiments now being carried on in these two locations will, I imagine, have some bearing on the solution.

Mr. GRAYDON: Some move has been made to meet the housing problem here, but I do not want to give the government too much commendation because I fancy there is still a great deal to be done. Having in mind the problem connected with workers in Ottawa, and in view of the terrific overcrowding in this capital city, it seems to me the next logical move would be one in connection with feeding of employees. I think everyone is pretty well agreed that the conditions under which most people in Ottawa have to take their meals in the downtown area are not very satisfactory. All one needs to do is to walk along the streets of Ottawa and see the situation for himself. Those who suffer most are the ones who have only a limited noon hour. It is all right for the person who has a long time to spend at an eating house, but for those who have only a short time between the time they leave their work and the time they must come back it seems to me there is a crying need for some relief. Every hon. member sees them attempting as best they can to line up, grab a sandwich and a cup of coffee. They are lucky if they can get that much before it is time to go back to work.

Mr. KNOWLES: Would the minister bring down additional information regarding these civilian employees? I believe he has already been asked to give information respecting their salaries and wages, and possibly as to the number.

Mr. POWER: I can give the number right away.

Mr. KNOWLES: What I want—possibly the minister can give it, and possibly not—is a break-down showing how many of them are in civil service classifications and how many are exempt.

Mr. POWER: I think I have that information, too.

Mr. KNOWLES: That will be fine.

Mr. POWER: We have 15,324. The average rate, including bonus, is $1,210. Appointments to all positions which might, in the opinion of the civil service commission, be classified under the Civil Service Act are legalized by the civil service commission. Positions exempt from the Civil Service Act; that is, exempt by law—

Mr. GRAYDON: If it is exempt by the act, it is exempt by law.

Mr. POWER: Civilians are employed in prevailing rate positions at Royal Canadian Air Force units to conduct maintenance work. This class of employee is utilized as firemen, mechanics, skilled and unskilled labourers, and so on, who are paid wages in accordance with the minimum wage schedule issued by the national war labour board. The department is authorized by order in council P.C. 48-2105, dated March 16, 1943, to engage such personnel as may be required for the building, renovating, remodelling and maintenance of buildings and landing fields at Royal Canadian Air Force projects, such personnel to exclude professional, technical and clerical employees.

The selection of personnel is made through the national selective service offices in the various localities and, prior to the inception of national selective service, the provincial employment bureaus.

In appointment of specialist services for technical and administrative duties, selection is made from private industry, appointment effected by individual order in council, which is referred in each case to the civil service commission for consideration.

Since the inception of the department in 1940, a total of seventy-five appointments by individual orders in council have been effected; forty-two of the personnel were seconded to the department from private industry; thirteen construction personnel for employment in Newfoundland; seven stenographers for appointment in Washington, and thirteen direct appointments. Fourteen of the seventy-five personnel have completed their respective assignment, and the employment has been discontinued, leaving the net appointments by orders in council still on the strength of the department at sixty-one.

I think I have a list of the different types of employees, and that list could be put on *Hansard*. I have the information with respect to civilian personnel employed at headquarters, although I have not that information with me. I can place on *Hansard*, for my hon. friend's information, a full list of civilian employees, and the number in each category or class.

[Mr. Johnston (Bow River).]

Mr. KNOWLES: The minimum I should like to have from the minister—and if he wishes to give more I should be glad to get it—would be to break that 15,000 into three groups—those appointed by orders in council—

Mr. POWER: That is seventy-five.

Mr. KNOWLES: Sixty-one, net. Then, I would want those who are classified as civil servants, and those who are exempt. And then would he give the average wage of each of those three groups? The minister has already given the average for the 15,000. Let us have the average for each of the three groups I have indicated.

Mr. POWER: Perhaps I can get together the wages paid to each particular trade in each group. Would that be what the hon. member wishes—carpenters, and so on?

Mr. KNOWLES: I should like to have that, but I have hesitated to ask for it.

Mr. POWER: I do not know whether I could get that information, but that is what the hon. member wants.

Mr. KNOWLES: I should like to get it.

Mr. POWER: I will see whether it can be obtained.

Mr. BLACKMORE: Reverting to the question of cafeterias, may I congratulate the minister upon any effort which he might have put forth to render available at reasonable prices good and substantial meals to the people concerned? I believe much more attention must be paid by the government to the matter of giving employees, who are working for incomes far too small, and who are being taxed far too much, substantial meals at rates as low as possible, so that they may be able to save a dollar or two.

Mr. JOHNSTON (Bow River): Are the civil employees at the air training stations given the cost of living bonus, the same as private industry would pay in that locality?

Mr. POWER: Just the same as any other civilian employees.

Mr. JOHNSTON (Bow River): Whether they are employed by the government or not, they are given the same bonus as private industry would pay in that locality?

Mr. POWER: I do not know just what the civil service bonus is, as compared with the bonus paid by the individual employers, outside. I cannot give information on that point, but I can have it checked. That is a matter for the civil service commission and the treasury board. But I understand there is a rate of bonuses given to civil servants throughout the country, and I do not think they vary much.

Mr. KNOWLES: The civil service would affect only those who are civil service appointees.

Mr. POWER: Those under the control of the civil service commission. And those who are performing work which exempts them from the Civil Service Act get the same bonus as those who are employed by individual employers, I assume.

If hon. members would be prepared to have the item pass, I shall be only too glad to make replies to questions as to civilian employees.

Item agreed to.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Wednesday, June 2, 1943

The house met at three o'clock.

THE KING'S BIRTHDAY

RESOLUTION EXTENDING GREETINGS AND GOOD WISHES TO HIS MAJESTY

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, as to-day has been set apart for the official recognition of the birthday of His Majesty, King George VI, I am sure hon. members would desire to have an expression of their wishes extended to His Majesty. I have spoken to my hon. friend the leader of the opposition (Mr. Graydon), and he and I have agreed upon a resolution which, we believe, hon. members would be prepared to support. I would therefore move, seconded by the leader of His Majesty's Loyal Opposition:

That a humble address be sent to His Majesty, King George VI, in the following words:

"To the King's Most Excellent Majesty:
Most Gracious Sovereign:

On this day set apart for the official celebration of Your Majesty's birthday, we, the members of the House of Commons of Canada, in parliament assembled, desire respectfully to extend our loyal greetings and heartfelt good wishes to Your Majesty.

[Mr. C. E. Johnston.]

The devotion to duty and high courage which you have continuously shown throughout the present war have been an inspiration to the people of Canada, to the peoples of the British commonwealth, and, indeed, to those of all of the united nations.

We pray that Divine Providence may continue to guide and protect Your Majesty and that you may be given strength to meet, at all times, the great responsibilities of your high office.

May you witness an early triumph of the forces of freedom and share with your peoples everywhere, for many years to come, the blessings of a just and enduring peace."

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, in rising to second the motion of the Prime Minister (Mr. Mackenzie King) that a humble address be sent to His Majesty, King George VI, I would echo the sentiments so well expressed in the Prime Minister's motion. I think all hon. members will recall at once the visit of Their Majesties in 1939 and the beneficial effect of that visit, in a greater understanding between the parts of the empire and the Anglo-Saxon nations generally.

During the very trying times through which the empire, and particularly Great Britain herself, has passed, the tender sympathy and understanding of Their Majesties can be recalled to-day by all of us with a great deal of pride and satisfaction. In the days of trial through which this nation and this empire are going, and will go, the bond of sentimental attachment to the monarchy and to Britain has, I believe, never been stronger. I take this opportunity of thanking the Prime Minister for the privilege of seconding this motion.

Mr. M. J. COLDWELL (Rosetown-Biggar): We also support the motion of congratulation to His Majesty the King. The monarchy is the symbol of unity among the peoples of the British commonwealth of nations, and, as such, we are glad to support the resolution.

Mr. J. H. BLACKMORE (Lethbridge): Members of my group and those who support us also desire to associate ourselves with this address; and we wish to say, in addition to what has already been said, that it is our desire that the king of the British commonwealth shall continue to be sovereign in this commonwealth.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata) (Translation): Mr. Speaker, as a private member and as a French Canadian, it is my duty to join in the best wishes which have just been offered His Majesty King George VI, our Sovereign and the Sovereign of Canada, on the occasion of his birthday. I speak in the

name of my French-Canadian countrymen, not only in the province of Quebec, but in the whole of Canada. I speak particularly in the name of the young men of my constituency who have enlisted in large numbers in the three branches of our armed forces.

In 1939, when their gracious majesties, during their stay in Canada, stopped at Rivière-du-Loup, which is a little town of 9,000 people, they were cheered by a gathering of 25,000. The welcome was one of the warmest extended to them in the whole country.

We send the King birthday greetings, and we do not forget our gracious Queen Elizabeth nor what she said at the time she laid the cornerstone of our Supreme Court building about the similarity between the laws of Scotland, her own native land, and the French laws of the province of Quebec. Mr. Speaker, speaking for all French Canadians, I wish a happy birthday to His Majesty the King of Canada and I present our humble respects to Her Majesty the Queen.

Motion agreed to.

(The members rose and sang the national anthem.)

PETITION

FEMALE LABOUR IN PLANTS—WORKING HOURS

Mr. WILFRID LaCROIX (Quebec-Montmorency): Mr. Speaker, I have the honour of submitting a petition signed by 122,283 citizens of the province of Quebec urging that:

1. Female labour at night be prohibited.

2. Mothers of children under sixteen years of age be forbidden to work.

3. The eight-hour day and the forty-hour week be adopted as working hours.

These 122,283 petitioners base their request on the words of the Right Hon. William Lyon Mackenzie King, Prime Minister of Canada, found on page 321 of his book "Humanity and Industry". I quote:

> Few, I imagine, who are interested in human well-being, will take exception to the findings of the commission that "the working of women at high pressure should be made a crime at law as it is a crime against nature herself."

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

WARTIME INFORMATION BOARD—PAYMENTS TO WRITERS OR AUTHORS

Mr. DIEFENBAKER:

1. Have writers or authors of booklets, pamphlets, or articles, been paid for their services by the wartime information board during the past seven months?

2. If so, what are their names, and how much has been paid to each?

Mr. MACKENZIE KING:

1. Yes.

2. E. Desrosiers, $100; Thos. Greenwood, $40; Mrs. M. Fielden, $30; Mrs. Edith Adamson, $200; K. R. Wilson, $100; Rev. A. Maheux, $15; W. Kirkconnell, $150; O. Oligny, $260; D. B. Cote, $500; Mrs. Savella Stechishin, $90; H. R. Law, $25; C. Clay, $150; Charles Bilodeau, $116.25; M. McDougall, $80.

FOURTH VICTORY LOAN

Mr. SHAW:

1. What was the actual amount obtained during the fourth victory loan through a combination of actual cash receipts and promises to pay?

2. What proportion of the amount subscribed was in the form of actual cash, and what proportion was in the form of promises to pay, payroll deductions, etc.?

3. What part of the loan was secured from inflationary sources, and what part from non-inflationary sources?

4. What was the actual amount subscribed directly by chartered banks?

5. Are figures available to indicate the total amounts loaned by chartered banks to individuals or others for the purchase of bonds during the fourth victory loan? If so, what were the amounts?

6. Has consideration been given to limiting the amounts which commercial banks might subscribe during any victory loan campaign?

7. Is the Department of Finance, or any other department of the government, in possession of details of the United States plan for limiting commercial bank subscriptions made during victory loan or other campaigns?

8. What percentage of the amount promised during the third victory loan campaign remained unpaid at the time the fourth victory loan campaign commenced?

Mr. ILSLEY:

1. Final sales returns are not yet available. Incomplete returns covering substantially all subscriptions as of the close of business May 21, 1943, showed total sales of $1,291,051,150 par value of bonds.

2. The government of Canada receives immediate full cash payment for all bonds sold, except a small amount of delayed deliveries made through the Bank of Canada. Purchases by means of payroll savings plan and other instalment plans are financed by loans from the chartered banks or other sources to those making the instalment subscriptions. Information is not yet available to indicate the amount of loans incurred by the public to finance these instalment purchases.

Actual funds received by the government up to the close of business May 28, 1943,

amount to $1,255,659,000. The difference between this amount and the sales noted above consists of the delayed deliveries to be completed in due course through the Bank of Canada, as already mentioned, and delayed remittances in the course of transit.

3, 4 and 5. The total amount subscribed directly by chartered banks was $500,000 par value of bonds, purchased by one chartered bank for its own account. Figures are not yet available to indicate the loans by chartered banks to individuals or others for the purchase of fourth victory loan bonds. Substantially all of such loans will be liquidated during the six months following the fourth victory loan, and for that reason these funds should not be regarded as coming from inflationary sources, although they do give rise to bank loans for a short period. It may be noted that the bank loans for this period will be offset during part of the period at least by substantially larger government balances held in anticipation of later expenditures. These balances counteract any short term inflationary effect of this temporary bank borrowing.

6. Yes. As indicated by the answer to No. 4 above and by the figures given in *Hansard* for February 9, 1943, page 257, it will be seen that cash subscriptions from chartered banks on their own account are a negligible proportion of the subscriptions to victory bonds.

7. Yes, but such subscriptions are not limited to such an extent as in Canada.

8. As at April 26, 1943, the government of Canada had received payment for 99·99 per cent of bonds sold during the third victory loan campaign.

Borrowings of the public from the chartered banks to finance purchases of third victory loan bonds, remaining unpaid at March 31, 1943, the last pre-loan date for which figures are available, were reported at $37,348,252. Any amount of borrowings from other sources not yet repaid is not known, but believed to be small.

CANADIAN NAVAL ESTABLISHMENT IN JAMAICA

Mr. DUBOIS:

1. Is there a Canadian naval establishment in Jamaica?

2. If so, what are the names of the officers and sub-officers stationed there?

3. What is the amount received by each officer or sub-officer, in salary, allowance, remuneration, or compensation?

Mr. MACDONALD (Kingston City):

1 and 2. There is no Canadian naval establishment in Jamaica, but one Canadian naval officer is on duty there—Lieutenant C. G. Boulter, R.C.N.V.R.

[Mr. Ilsley.]

3. Lieutenant C. G. Boulter, R.C.N.V.R., pay per diem, $6; lodging, provisions, fuel and light, allowance per diem, $5.

COBALT SMELTER

Mr. NOSEWORTHY:

1. Was the metals controller asked to approve of the construction of a smelter in Cobalt which was to be financed by the United States government by a loan for five years and an order for refined metal for the entire production for three years?

2. If so, what was his answer?

3. Was this previous to the metals controller securing an order for 7,000 tons of cobalt ore or concentrates to be stockpiled at the Deloro smelter?

4. Did he approve of this smelter construction to an official of the mining company verbally, showing him an original letter of approval to the United States government?

5. Was this letter sent as drafted, or did the metals controller change his opinion?

Mr. ILSLEY:

1. No.

2. Answered by No. 1.

3. Answered by No. 1.

4. The metals controller has no recollection of any such conversation with an official of the mining company nor is there anything on the records to show that a letter such as he suggests was ever drafted or sent. There is, however, on file a letter written to Mr. S. D. Strauss, assistant vice-president of the Metals Reserve Company, under date of 27 February, 1942, in which the following is a quotation:

"Mr. Sutherland has shown me your letter addressed to him under date of 23 February in which you state that you would require my approval of the export of the products to the United States. If Mr. Sutherland is successful in establishing a plant at Cobalt, we would have no hesitation in granting export licences."

This is the only letter to which we believe such a conversation could have referred.

5. Answered by No. 4.

QUESTIONS PASSED AS ORDERS FOR RETURNS

SUGAR FOR HOME CANNING

Mr. CRUICKSHANK:

1. Does the government encourage home canning?

2. What steps are being taken to provide ample sugar for rural residents accustomed to canning large amounts of fruit?

3. What steps are being taken to prevent misuse of sugar ration by those not canning fruit?

4. What arrangements are being made to prevent wastage of perishable fruit?

Mr. GRAYDON: Is there any reason for having this question passed as an order for return? The question of sugar for home canning is one of the live issues to-day, and the answer ought to be on *Hansard*.

Mr. McLARTY: It was not for any purpose of delaying the answer, or keeping it out of *Hansard*, that it was passed as an order for return. There are two departments definitely involved, the Department of Agriculture and the wartime prices and trade board. That is the only reason it was passed as an order for return.

Mr. GRAYDON: I thought this was under the wartime prices and trade board.

Mr. McLARTY: The Department of Agriculture is also interested. That is the advice I have with regard to the question, and it would come from that department.

GOLDEN MANITOU MINES LIMITED—ZINC CONCENTRATES

Mr. BLACKMORE:

1. Did the Golden Manitou Mines Ltd. acquire from the Quebec Manitou Mines Ltd. the zinc claims from which it supplies zinc concentrates to the Metal Reserve Company of United States, under contract with the Metal Reserve Company?

2. How many claims did the Golden Manitou Mines Ltd. so acquire?

3. What consideration did Quebec Manitou Mines Ltd. receive for these claims?

4. Was this transaction approved by the shareholders of Quebec Manitou Mines Ltd.?

5. On what date was the shareholders' meeting at which such approval was given?

6. Where was the meeting held?

7. When did the notice go out calling the shareholders to that meeting?

8. Did that notice specifically state that the meeting was being called for the purpose of approving the transfer to the Golden Manitou Mines Ltd. of certain important claims from the property of Quebec Manitou Mines Ltd.?

GOLDEN MANITOU MINES LIMITED—CAPITAL STOCK

Mr. BLACKMORE:

1. How many shares comprised the authorized capital stock of Golden Manitou Mines Ltd.?

2. How many of those shares were issued?

3. To whom did these shares go; (a) how many went to the underwriters (Messrs. Milner, Ross & Company, and Draper, Dobie & Company); (b) did any of such shares go to Quebec Manitou Mines Ltd. in payment for the claims Quebec Manitou Mines Ltd. transferred to Golden Manitou Mines Ltd.; (c) how many remained in the treasury of Golden Manitou Mines Ltd.?

4. How much did Golden Manitou Mines Ltd. receive from Milner, Ross & Company, and from Draper, Dobie & Company, for the "one-half of the total authorized share capital of the company" which those gentlemen received?

VERNER, ONT., CREAMERY

Mr. HURTUBISE:

1. What action is the government taking to relieve the serious situation which exists at Verner, Ontario, creamery, where 560,000 pounds of butter are produced yearly, and where the proprietors are threatening to close business?

2. Can any relief be expected in the near future as to, (a) limitation of collection of cream to three times every two weeks; (b) lack of metal cans for collection of cream; (c) lack of gas, tires, and tire repair?

MOTIONS FOR PAPERS

INDIANS—TRIAL OF FRANK KNOCKWOOD, LENNOX ISLAND RESERVE

Mr. BLACK (Cumberland):

For a copy of all correspondence, accounts, payments and other documents, in the possession of the Department of Justice, and Department of Mines and Resources (Indian Affairs), with respect to the trial of Frank Knockwood, a resident of the Indian reserve, Scotchfort, Lennox island, Prince Edward Island, during the years 1941, 1942, and to date in 1943.

Also a copy of all correspondence and recommendations on behalf of George J. Tweedy, K.C., of Charlottetown, P.E.I., that he act for the government or for the defendant, Frank Knockwood, or for the Indian Affairs branch, along with a statement of any accounts or payments for salary, fees or expenses submitted or paid him or any other person.

Mr. ST. LAURENT: The adoption of this motion should be subject to the usual reservation with respect to confidential communications between the officers of the department and other officials.

LABOUR MANAGEMENT COMMITTEES

Mr. COLDWELL:

For a copy of all correspondence, telegrams, questionnaire and memoranda exchanged between the Department of Labour and the regional labour boards, in connection with securing the information on labour management committees listed in sessional paper 155A, tabled by the Minister of Labour on April 15.

FALCONBRIDGE NICKEL COMPANY

REFERENCE TO STATEMENT OF PRESIDENT OF THE COMPANY AS TO NORWAY REFINERY

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I would like to direct a question to the Prime Minister, notice of which I sent to the Minister of Justice (Mr. St. Laurent) yesterday, and which he suggested might more appropriately be asked of the Prime Minister.

On May 11, I drew the attention of the house to a statement by the president of the Falconbridge Nickel Company, and contained on page 2 of the annual report presented to the general meeting of shareholders at Toronto on April 21, 1943, to the effect that he was glad to know that the company's Norwegian refinery was safe and being maintained. He added that it was in operation by the company's staff under German control. I would ask the Prime Minister what steps if any have been taken to deal with the author of this particularly callous and subversive statement?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my colleague, the Minister of Justice, mentioned to me that my hon. friend would ask this question to-day. Unfortunately I have not had a moment since then to consider the reply to be made, but I shall seek to make a reply to-morrow. I would say to my hon. friend that the reply will be along the lines that he himself anticipates.

POST-WAR CIVIL AVIATION

CONVERSATIONS BETWEEN UNITED KINGDOM AND SELF-GOVERNING DOMINIONS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I should like to direct two questions to the Prime Minister based on a Canadian press dispatch from London, England, which quotes Sir Archibald Sinclair, United Kingdom Air Secretary, as follows:

> We have put first in our work the importance of coming to an agreement "with the dominions", Sir Archibald said of the government's civil aviation plans. After the war we shall either be in a world dominated by the United States or the Soviet Union, or the centre of a great empire bound together by air routes.

The dispatch goes on to say:

> Discussing the question of dominion representation on the board of the British Overseas Airways Corporation, Sir Archibald said it would not be appropriate to invite the dominions to be represented on the board of a United Kingdom corporation. Were such an invitation tendered, he thought the dominions might consider it inappropriate to accept.

Arising out of this dispatch, I would like to ask the Prime Minister the following questions: Have conversations been initiated between the United Kingdom and the self-governing dominions with respect to an empire plan for post-war civil aviation? If so, what progress has been made? Has the dominion government ever been approached, formally or informally, by the government of the United Kingdom with respect to representation on the board of the British Overseas Airways corporation, or with respect to the formation of a like corporation of empire-wide scope?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my hon. friend gave me notice of this question. Without commenting at all on the dispatch itself I shall answer the specific questions my hon. friend has asked.

> Have conversations been initiated between the United Kingdom and the self-governing dominions with respect to an empire plan for post-war civil aviation?

The answer is no. His second question was:

> If so, what progress has been made?

That question is answered by the answer to the first question. His third question was:

> Has the dominion government ever been approached, formally or informally, by the government of the United Kingdom with respect to representation on the board of the British Overseas Airways Corporation, or with respect to the formation of a like corporation of empire-wide scope?

The answer is no.

Mr. GRAYDON: May I ask the Prime Minister, in view of his answer that conversations have not been initiated between the United Kingdom and Canada with respect to an empire plan for post-war civil aviation, whether it is the intention of the government at some later time to initiate such conversations?

Mr. MACKENZIE KING: The only reply I can make to my hon. friend is that the house will be informed in due course of any steps which may be taken in the matter. The subject is one which is being considered at the present time.

CZECHOSLOVAKIA

VISIT TO OTTAWA OF PRESIDENT BENES—MUNICH AGREEMENT

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I understand that Doctor Eduard Benes, President of the republic of Czechoslovakia, is paying a visit to Canada and will be in Ottawa shortly. Will the Prime Minister kindly indicate to the house such plans as the government has made for welcoming this distinguished visitor and extending Canadian hospitality to him?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, His Excellency, Doctor Eduard Benes, President of the republic of Czechoslovakia, arrives in Ottawa

to-morrow morning. During the course of his visit, which I understand is likely to be until the end of the week, Doctor Benes will be the guest of His Excellency the Governor General and Her Royal Highness Princess Alice at government house. To-morrow morning at half-past eleven it has been arranged that Doctor Benes will meet the members of the press at a conference in room 16, and at twelve noon Doctor Benes has agreed to speak to the members of both houses of parliament in the railway committee room. The senate is not in session at the present time and there may not be a large representation of the members of that house, but I am sure that hon. members of this house will greatly welcome the opportunity to hear an address from Doctor Benes. We are greatly honoured by the visit of Doctor Benes to our country.

A number of engagements have been made for Doctor Benes during the course of his stay and also some by him. The Governor General and Her Royal Highness are entertaining Doctor Benes at dinner at government house to-morrow night. An official dinner will be given in his honour by the government on Friday evening of this week. On Saturday evening I understand that Doctor Benes himself is entertaining at the Czechoslovakian legation. President Benes will receive on Friday morning, June 4, heads of foreign missions, high commissioners, and officers of the International Labour Organization at government house. On Saturday morning he will receive delegations of Czechoslovak societies and members of Czechoslovak forces in training in Canada. In the afternoon of Saturday, June 5, the president will visit the service flying training school at Uplands.

A number of engagements have been made which will permit of an opportunity being afforded to the members of this government and other members of the house for conferences with Doctor Benes. There are other social engagements of lesser significance.

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM AND THE REPUBLIC OF CZECHOSLOVAKIA

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I should like to take this opportunity of referring to the exchange of notes between the foreign secretary of the United Kingdom, Mr. Eden, and the foreign minister of the Czechoslovak republic, Mr. Masaryk, which took place on August 5 of last year. The statement I am making has reference to the Munich agreement. It is a communication that I am glad to have the opportunity of making to the house before Doctor Benes, the President of the Republic of Czechoslovakia, arrives. I had intended making it at an earlier stage of the session, but an opportunity has not presented itself.

In his note, Mr. Eden stated that in order to avoid any possible misunderstanding, he desired to declare that as Germany had deliberately destroyed the arrangements concerning Czechoslovakia reached at Munich in 1938, his government regarded themselves as free from any engagements in this respect. He stated further that at the final settlement of the Czechoslovak frontiers to be reached at the end of the war, the British government would not be influenced by any changes effected in and since 1938.

The Canadian government has not considered it necessary to enter into a similar exchange with the Czechoslovak government, since Canada was not a party to the Munich agreement. I am glad, however, to take this occasion to state that the Canadian government fully shares the view of the United Kingdom government that the Munich agreement is void.

It is not without interest that, when our government amended the defence of Canada regulations in April of 1941, in order to remove any possibility of Czechoslovaks being regarded as enemy nationals, the amendment stated that for the purposes of these regulations, Czechoslovakia means "Czechoslovakia as it existed on the first day of January, 1938." It is the earnest wish of our country that the day will not be far removed when the brave people of Czechoslovakia will again enjoy those liberties which enabled them to make their very real contribution to the democratic life and culture of Europe.

MADAME CHIANG KAI-SHEK

ANNOUNCEMENT OF EXPECTED VISIT ABOUT THE MIDDLE OF JUNE

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Several times my hon. friend the leader of the opposition (Mr. Graydon), both across the floor and in private conversation, has asked me when we might expect a visit from Madame Chiang Kai-shek. I am happy to be able to tell my hon. friend that yesterday in New York I had the privilege of an interview with Madame Chiang and have from her the assurance that she hopes to be able to visit Ottawa and to address the members of both houses of parliament about the middle of this month.

DEFENCE OF CANADA REGULATIONS

DECISION OF THE ADVISORY BOARD ON MR. HOUDE'S APPLICATION FOR LIBERATION

On the orders of the day:

Mr. LIGUORI LACOMBE (Laval-Two Mountains): Mr. Chairman, I wish to draw to the attention of the hon. Minister of Justice (Mr. St. Laurent) the following news item which appeared in the Montreal *Gazette,* and then ask him some questions.

The *Gazette*—Wednesday, June 2, 1943.

Houde Stays in Camp
Release Appeal Fails

(*Gazette Resident Correspondent*)

Ottawa, June 1: Camillien Houde, ex-mayor of Montreal who was interned in 1940 for advocating refusal to register, has lost his appeal for release from an internment camp, it was understood to-night.

Houde's hearing was conducted in camera in Fredericton, New Brunswick, last Friday by a committee which has since forwarded its report to the justice department here. Had the recommendation been for his release it would have been public by now.

In pursuance of this news item, Mr. Chairman, the hon. Minister of Justice will allow me to put the following question to him: Has the advisory board which, in Fredericton last May 28th, granted a hearing to Mr. Camillien Houde, former mayor of Montreal and member of the Quebec provincial legislature, made known its decision to the Minister of Justice?

In the affirmative what were the terms of this decision? In the negative, will the hon. Minister of Justice soon be in a position to make a statement before parliament concerning the liberation of Mr. Houde?

If the news item which appeared in this paper is correct, does the minister intend to use the rights to which he is entitled by law and order the release of Mr. Houde notwithstanding the decision?

Mr. SPEAKER: Order. I understand the hon. gentleman is asking a question with regard to the internment of Mr. Houde. Such a long introduction is not necessary in order to ask a question. If the minister wishes to reply he may do so, but certainly this is a question which should be placed upon the order paper.

Mr. L. S. ST. LAURENT (Minister of Justice): Mr. Speaker, I have no objection whatsoever to answering the hon. member immediately. The advisory committee appointed to examine Mr. Houde's objections to his internment sent me, on May 31st, a unanimous report, which I received in the afternoon.

The findings of the report were to the effect that the internment of Mr. Houde should be continued. I studied the report and the file as well. I came to the conclusion that I had no alternative but to comply with the findings of the report, and yesterday I signed an order in accordance with these findings.

As to the news item which appeared in the *Gazette,* I have no idea where that newspaper's reporter secured his information. That reporter and several others contacted me as early as Monday about this matter, and I refused to give them any information. As I expected that questions would be put to me before the house, I preferred not to give any details to the newspapers before I had acquainted the house with the information.

OLD AGE PENSIONS

REQUEST FOR PAYMENT OF PENSION OF $30 AT AGE OF SIXTY

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): Considering the commendable action of the treasury board in granting long overdue increases of salary to many civil servants, does not the Minister of Finance consider the time opportune to ask the treasury board to make such provisions as will ensure that all Canadians sixty years of age and over shall receive an old age pension of not less than $30 a month, retroactive to June 1, 1943? Will the minister undertake before this house to ask the treasury board to make such old age pension provisions as I have indicated, and will he tell the house at an early day what action the treasury board saw fit to take in this respect, together with the reasons for their decision?

Mr. SPEAKER: The hon. gentleman knows that such questions involve matters of policy and cannot be asked on the orders of the day in the expectation of receiving an immediate answer.

BUSINESS OF THE HOUSE

FARM DEBT LEGISLATION

On the orders of the day:

Mr. VICTOR QUELCH (Acadia): Could the Prime Minister tell the house when the debt legislation will be brought down? I understand the delay is having a serious effect in certain parts of western Canada.

Hon. J. L. ILSLEY (Minister of Finance): I think it will be possible to introduce the legislation in question at the conclusion of the debate on the war appropriation bill, or at about that time. I do not think any purpose would be served by introducing it sooner, because it could not be dealt with.

REDISTRIBUTION BILL

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): On May 14 the Prime Minister told us that it was the intention of the government to introduce a redistribution measure this session. The last time such a measure was before this house was in 1933, and from the time the committee first met until the bill passed it took three months and seventeen days. There is no reason to suppose that it will take any shorter time on this occasion, and that would mean we would be sitting here until the end of September. Is it the intention of the government that we should sit continuously, except for the week-end adjournments, until this work is finished?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I may tell my hon. friend that though the government does not have any intentions as to the length of the session, it does entertain some hopes that we may be able so to arrange the business of the session as not to prolong its sittings unduly. There were I think special reasons why the redistribution measure to which my hon. friend referred took as long as it did. I hope the redistribution measure to be introduced this session will not take as long. A large number of committees have been meeting and there has been very important legislation before the house concerning matters pertaining immediately to the war. The government has felt that until the war appropriation measure was pretty well disposed of it would be inadvisable to have the redistribution measure introduced, but immediately the discussion on the war appropriation bill is concluded the redistribution bill will be introduced.

WARTIME HOUSING LIMITED

INQUIRY AS TO CONSTRUCTION OF HOUSES IN EDMONTON AND SARNIA

On the orders of the day:

Mr. D. G. ROSS (St. Paul's): Arising out of a news item appearing in a trade paper, I should like to ask the Minister of Munitions and Supply if it is the intention of Wartime Housing Limited to build 250 permanent houses in Edmonton, and also whether some two hundred permanent houses are being built in Sarnia at the present time.

Hon. C. D. HOWE (Minister of Munitions and Supply): The answer to both questions is yes.

Mr. ROSS (St. Paul's): May I ask the minister why?

WHEAT

PERMITS FOR EXPORT OF COARSE GRAINS

On the orders of the day:

Hon. J. A. MacKINNON (Minister of Trade and Commerce): Yesterday at page 3203 of *Hansard* the hon. member for Weyburn (Mr. Douglas) referred to an answer to a question which I tabled on Monday. He stated:

> According to an answer he made yesterday, no permits are demanded for the export of feed wheat, thus enabling those who export it to make quite a profit out of the differential between Canadian and the United States prices.

If the hon. member will refer to the answer I gave on Monday he will see that I said:

> Export permits are not required for wheat grading No. 3 northern, or higher.

The situation in respect to grades of wheat suitable for feed purposes is that such wheat is required in Canada and consequently is under export control. The general situation referred to by the hon. member for Weyburn relating to profits cannot arise, because total wheat imports into the United States from all countries are restricted to 800,000 bushels annually. Of this import quota Canada receives a substantial share, but the amount is so small as very nearly to stop the export of Canadian wheat into the United States market. The purchase of the seven and a half million bushels of wheat to which I referred on Monday was made by the United States government and consequently was outside the 800,000 bushel limit of wheat imports in effect in that country. In regard to wheat of feed grades, it is very difficult to secure a sufficient supply for the domestic market, and consequently the feeds administrator does not permit exports of this class of wheat.

Mr. DOUGLAS (Weyburn): The minister has said that export permits are not required for wheat grading number 3 northern or higher. Would he give information at the same time as to why they are not required, and what steps are being taken to have those who sell this wheat to the commodity credit corporation make some contribution to the stabilization fund, in order to permit the differential between Canadian and United States prices?

Mr. MacKINNON (Edmonton West): I shall be glad to do that.

Mr. CASTLEDEN: With regard to the purchase of 7,500,000 bushels of wheat by the United States government, I understand the chief commissioner of the Canadian wheat

board went down to make arrangements for the purchase of this grain. Will the minister say why the grain was not purchased through the Canadian wheat board rather than on the open market?

Mr. MacKINNON (Edmonton West): I doubt very much the accuracy of the hon. member's premise when he states that the chairman of the wheat board went to the United States to arrange this sale. My information is that the United States government communicated with the exporters of wheat in Winnipeg. Various offers were submitted to the United States government, of which it took the 7,500,000 bushels.

Mr. CASTLEDEN: The statement tabled in the house by the Minister of National Defence (Mr. Ralston) states that discussions took place in Washington in the early part of last week between United States authorities and Canadian officials, that the Canadian officials attending were so-and-so, including Mr. McIvor, chief commissioner of the Canadian wheat board, and that as a result the purchase was made.

Mr. MacKINNON (Edmonton West): Indirectly it may have been the result of conversations between representatives of the Department of Trade and Commerce and the Department of Agriculture at that time, dealing with the whole question of wheat and coarse grains.

Mr. DOUGLAS (Weyburn): Can the minister say why the wheat was not purchased through the wheat board rather than on the open market?

Mr. MacKINNON (Edmonton West): The hon. member would have to ask the United States government as to that.

REQUEST FOR INCREASED INITIAL PAYMENT

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): Mr. Speaker, yesterday I directed a question to the Minister of Trade and Commerce (Mr. MacKinnon), to which he replied in the negative. To-day I wish to direct another question to him, based on yesterday's answer. Yesterday I had received a letter enclosing the front page of the *Leader-Post*, and it was on that that I based my question. The minister's reply was that he had not received any such request as set out in that newspaper.

Immediately after the minister answered the question I went to the reading room, and found the following headline in the Winnipeg *Free Press*, "Request dollar wheat payment". It is upon that headline that I am basing my question to-day, because it is the same as appeared in the *Leader-Post*. The Winnipeg *Tribune* headline is "Central Board of Wheat Pools Requests $1 Initial Payment". These three papers of the western press contain the same statement, that a wire had been sent to the minister asking for immediate consideration of the proposal. Has he received a wire from the Canadian Cooperative Wheat Producers asking him to consider the brief placed in his hands, and to give immediate attention to it.

Hon. J. A. MacKINNON (Minister of Trade and Commerce): Mr. Speaker, so far as I can remember and as far as my officials can remember—because I checked with them since the question was asked yesterday—no request has as yet been made to my department. The first I heard of this was when the hon. member asked the question yesterday, and when I saw the newspapers to which he has just referred.

SEED POTATOES

STORAGE HOLDINGS, COMMON AND CERTIFIED—POTATO ACREAGES BY PROVINCES

On the orders of the day:

Hon. J. G. GARDINER (Minister of Agriculture): Mr. Speaker, yesterday the hon. member for Lethbridge (Mr. Blackmore) asked for certain information with regard to the storage of and acreage in potatoes. I agreed to bring down the information to-day.

The following table indicates the cold and common storage holdings of table and certified seed potatoes in commercial producing areas, and at the principal centres on May 1, 1942 and 1943:

		1942	1943
		tons	tons
Inland, Prince Edward Island	Table	6,200	34,000
	Seed	9,135	1,578
Inland, Nova Scotia	Table	1,398	1,725
	Seed	593	848
The only other places where seed and table potatoes are stored, are as follows:			
Inland, New Brunswick	Table	4,293	5,156
	Seed	9,680	5,876
Lower St. Lawrence, Quebec	Table	3,160	1,628
Quebec province (farmers' hands)	Seed	1,617	1,280

The only other figures I would need to give in this connection would be the total showing potatoes stored in Canada. At May 1, 1942, the figure was 44,716 tons and at May 1, 1943, there were 60,483 tons.

Then, so far as acreage is concerned, if the house agrees I shall place this table on *Hansard*, because it is too long to read into the record. It indicates that the figures are lower, according to the intentions to plant as of April 1, 1943, than we had asked for in December of 1942. That is contrary to what I said yesterday. But they are considerably higher than we had last year, as stated yesterday. The table is as follows:

Acreage of Potatoes by Provinces
1941-1943

	1941	1942	Goal[2] 1943	Intentions[1] 1943
Prince Edward Island	39,900	37,000	42,920	39,000
Nova Scotia	18,500	20,800	23,920	23,000
New Brunswick	47,800	50,500	58,580	55,600
Quebec	153,000	157,000	172,700	174,000
Ontario	120,300	122,000	134,200	106,000
Total east	379,500	387,300	432,320	397,600
Manitoba	35,000	29,000	31,900	30,000
Saskatchewan	47,000	46,000	48,300	47,400
Alberta	30,000	28,500	29,925	34,200
Prairie provinces	112,000	103,500	110,125	111,600
British Columbia	15,600	15,100	17,516	16,900
Canada	507,100	505,900	560,000	526,100

[1] Farmers' intentions to plant, April, 1943.
[2] Goals established at dominion-provincial agricultural conference, December, 1942.

Source: Dominion Bureau of Statistics.

PRIVILEGE—MR. POULIOT

REFERENCE TO ARTICLE IN MONTREAL DAILY STAR OF MAY 28

On the orders of the day:

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, now that my honourable colleagues seem to have finished asking questions, I rise to a question of privilege, based on an article which has been published by a newspaper which specializes in not informing its readers, or in misinforming them, and which wrote a very bitter article against Mr. Aberhart last week, before his ashes were cold. The article is entitled, "Less Talking, Please," and refers to the speeches made in the house by hon. members for Leeds (Mr. Fulford) and Wellington North (Mr. Blair). They are quotations, but I understand the ration limit of gags has been exhausted, and that the manufacturer is out of stock. The article goes on to say:

> There is an increasingly large number of citizens throughout the country who will heartily endorse Doctor Blair's sentiments.

And for your information, my name is mentioned in the first part of the article.

Mr. COLDWELL: What paper?

Mr. POULIOT: The Montreal Daily *Star*, a paper which either does not inform its readers or misinforms them. The article continues:

> Parliament was not established in order to provide any member with an entirely erroneous idea of his own importance, to talk interminably in debate, particularly when what he says is for the main part obviously not intended for any other purpose than to draw the limelight upon himself.

I have been fighting for the underdog and for the people, but when hon. members express ideas which I desire to express, I am perfectly satisfied because I believe in the law of least effort. The article continues:

> It may become necessary to amend the rules of debate if the privilege of free speech continues to be so flagrantly and insensately abused. This abuse is all the more irritating because it is confined to a very small number of members. We wonder, by the way, if it would be so persistent if the privilege of franking *Hansard* to the members' constituents were to be cancelled.

I suggest that a copy of *Hansard* be sent daily to each reader of the Montreal *Star* so that he may be informed, because the parliamentary reports of the Montreal *Star* are pure rot. I quote:

> We urge that some action of an effective nature be taken. They manage to control time-wasters elsewhere without any outcry as to the

curtailment of the privilege of free speech, and it certainly ought to be possible for the parliament of Canada to do the same.

Here is a loyalist paper that is suggesting that we do the same thing as is done in Germany. My work is hard; I am doing a painful and a painstaking task, and I should like to ask something of the government. Parliamentary secretaries have been appointed and I wonder if I could not have three. I should like to have the hon. member for Renfrew South (Mr. McCann), if he can be spared by the Minister of Pensions and National Health (Mr. Mackenzie); I should like to have the hon. member for Wellington North (Mr. Blair), if he can be spared from his groundhogs—

Some hon. MEMBERS: Order.

Mr. SPEAKER: The question of privilege is something that should be raised rarely by an hon. member and only if he has been libelled or an aspersion has been cast upon him. As a matter of privilege the member has the right to deny what has been said about him, but he can refer only to the article which has appeared in the newspaper and which should be placed on the table of the house. His denial may be given but he is not entitled to enter into an argument or to comment at length on what has been published. All he is entitled to do is deny what has been said in the editorial and to state his position as shortly as it can be stated.

Mr. POULIOT: I shall read five or six lines in the article where my name has been mentioned and which are directed against me. They are:

Mr. Fulford pointed out that if all members took as much time as Mr. Pouliot did, the house would have to sit twenty-four hours a day three hundred and sixty-five days a year, and said that members were becoming exasperated. Doctor Blair was more outspoken. Mr. Pouliot has been keeping up a continuous barrage of futile and inconsequential comments about Colonel Ralston's administration of his department, and Doctor Blair, referring to this, said:

"If we want to retard our war effort, then the way for us to do it, in a sly, deceptive way, is to keep the minister sitting in his seat and not allow him to attend to his duties. I do not know how to prevent it, but I do know that if this house could purchase a mouthgag or a few things like that, it would be worth while."

What I was saying a minute ago is that as 160 mouthgags have been used in this house, the manufacturer is out of stock.

That is all, at least for the time being.

[Mr. Pouliot.]

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Tuesday, June 1, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE FOR AIR

2. Pay and allowances, $238,023,232.

Hon. C. G. POWER (Minister of National Defence for Air): Mr. Chairman, I should like to take up what I am afraid will be considerable time of the committee to discuss a matter which was brought up yesterday by a large number of members, namely, that of the commissioning of aircrew in the Royal Canadian Air Force. This is a question which has aroused much public attention and has been discussed and debated a great deal throughout the country during the past year. I must ask the committee to give me some little time in which to make this explanation because it is a complicated matter and one in which a number of interests are involved as well as, apart from the broader interests, the individuals who are entitled to the promotion which they desire.

It will be remembered that when we were discussing the war appropriation bill last year this question of commissioning was brought to my attention, and I expressed myself somewhat forcibly as being strongly in favour of the commissioning of all aircrew. I have not changed my opinion in that regard, although I must admit that circumstances have been such that it has not been possible to carry out the policy to the extent I should have liked. It will be necessary for me to go into some detail and to give some account of the background of the story of commissioning.

When the joint air training plan agreement was signed in December, 1939, there was only passing mention of commissioning. It was said that pilots and observers could be commissioned in certain numbers, and I think it was arranged that agreement would be made as to the percentage and numbers of aircrew which would be commissioned. It was not until February, 1940, that any concrete plan of commissioning was laid before the partners to the agreement. At a meeting of the supervisory board, which as the committee knows is the board which supervises the administration by Canada of the empire training agreement, it was agreed that commissioning of pilots and observers would be on the basis as expressed by the hon. member for Rosedale (Mr. Jackman), that is, the top one-third who had

passed their examination would receive commissions on graduation and the remaining seventeen per cent, in order to bring the total up to fifty per cent, would be commissioned on active service provided they were recommended at the time of their graduation.

That referred only to pilots and observers. There was no provision made for the commissioning of wireless operator air gunners or of straight air gunners. As a matter of fact straight air gunners were not being turned out to any extent in the early days. I call the attention of the committee to the fact that this arrangement was made in February, 1940, before any aircrew had begun training, in fact I imagine before any aircrew had been enlisted. The first aircrew began their training in April, 1940. This procedure existed for some little time, as I shall presently show.

A year after, in February, 1941, at the instance of the Canadian government, or rather of the Royal Canadian Air Force, who felt that it would be extremely difficult to obtain recruits for wireless operator air gunners, who had a very long and tedious course to follow, unless some recognition were given at least to the persons who came out best in their examinations, it was agreed that two per cent of the wireless operator air gunners should obtain commissions. Even then there was no question of commissions for straight air gunners. A month or so later it was decided that five per cent of the wireless operator air gunners, instead of two per cent, should be commissioned. There were still no commissions for the air gunners. Then, during the course of my visit overseas in 1941, I took up this matter of commissioning of air gunners and wireless operator air gunners with the air ministry, and as a result of discussions at that time it was agreed that ten per cent of the wireless operator air gunners would be commissioned on graduation and ten per cent later on in operations, making a total of twenty per cent. With respect to air gunners, five per cent would be commissioned on graduation and fifteen per cent on operations, making a total of twenty per cent.

That brought it down to April, 1942, when I stated in this chamber, on the appropriations, that I favoured one hundred per cent commissions. Then came the empire training air conference in May of 1942. At that conference Canada proposed to its partners that all aircrew be commissioned. The partners did not agree either to the proposition that all aircrews be commissioned or, alternatively, as a second suggestion, that all aircrews be given what might be called an intermediate rank—ensign or cadet or flight officer, call it what you will—which would be the intermediate probationary rank between the non-commissioned officer and the commissioned officer. Such a rank is now in existence in the United States army air corps, and presently I will give some indication of how it works.

Mr. GRAYDON: Before the minister passes to another matter, what were the reasons advanced by the partners for failure to commission those in the aircrews?

Mr. POWER: I have a long story to tell on that. So, by way of a compromise—which is in accordance with the genius of British institutions—it was decided—Canada having refused to continue the old system—on 33 per cent on graduation and 17 per cent in the field. So that, as was stated by the hon. member for Rosedale, the agreement, appendix 3, page 11, contains this clause:

1. Commissioning— . . .

(a) All pilots, observers, navigators and air bombers who are considered suitable according to the standards of the government of Canada and who are recommended for commissions will be commissioned.

It goes on to give the percentages with respect to wireless operator air gunners and to air gunners. That is to say, our partners agreed that we should commission whom we wanted but asked us to establish a certain standard, and that we agreed to do. We receded from our position of commissioning everybody and we adopted a formula which was first suggested by the United Kingdom, that all aircrew who were commissionable should be commissioned. That formula might or might not mean a great deal—"all aircrew who were commissionable should be commissioned." Therefore we said, "That is all right, but we had better have some kind of yardstick and some kind of standard," and we did establish such a yardstick and such a standard, to which I will presently refer, and which in effect has resulted in the granting of a very much larger number of commissions on graduation.

My principal anxiety during all the time this agitation was proceeding for commissioning on graduation was with respect to the poor lads who were overseas. Not so much was being heard about them in Canada in those days, partly because we had not our own squadrons, partly because our publicity had not been properly arranged, and to a certain extent, too, because we had not been in operation to the extent that we have been recently, and not so many of our men were returning. So that the agitation in Canada largely had for its objective

the commissioning of men on graduation. I felt that that would be grossly unfair to the lads who had been over for a year or so. They were my first consideration; and in discussing this subject with the United Kingdom—in which reams of paper were consumed in dispatches—I said: At least give commissions to the seventeen per cent who are recommended on graduation—at least seek them out and see that they get their commissions. Well, that did not seem to work. There are reasons. I am not attempting in any way to blame, as somebody expressed it, Great Britain or anybody for this. It is very difficult in the course of operations for a commanding officer—who after all has the say in spite of the fact that there was a recommendation on graduation—to follow all these things through, and I am absolutely certain that ninety-five per cent of the Royal Air Force commanding officers did not know anything of the agreements made at the time of the joint air training plan, or of the ruling of the supervisory board that seventeen per cent should be commissioned, or that John Jones from Saskatoon had been recommended for consideration for a commission when he started in on active service. He saw John Jones, but he probably never saw John Jones's file, and did not know anything about it. The result is that those commissions were not coming through. Presently I will give a statement of the numbers in 1941, 1942 and 1943. So that something had to be done about it, and we wrote into the agreement of 1942 something which hon. members, particularly those who know something of military affairs, will agree was a most unusual provision. It was to do away with the recommendation of the officer commanding, and in some respects take the matter of commissioning into our own hands. The clause reads:

(c) Normally, the initiative in recommending an airman for a commission will rest with his commanding officer, but an airman may apply to be recommended, and, if his application is endorsed and forwarded by his commanding officer, it will receive the same consideration as if it had been initiated by the latter.

An application for a commission by an airman of the Royal Canadian Air Force, even if it is not endorsed—

That is, even if the commanding officer does not agree that the man should be commissioned.

—will be forwarded through the usual channels. . . .

It goes all the way up from the commanding officer to the group, from the group to the command, from the command to the air ministry, and the air ministry have a look at it and, if they still do not want it, it goes to Royal Canadian Air Force headquarters, and these headquarters will be provided with all relevant documents and will arrange for the candidate to appear before a selection board convened by the air officer-in-chief, R.C.A.F. overseas. In other words, if the application of a Canadian had not been considered or had been turned down, even though he is in the Royal Air Force, even though he may be in the middle east, or in Burma; no matter where he is, subject always to the difficulties of communication and transportation, he may appeal to the Canadian board to see whether or not he will get his commission. We also provided that there would be a review of all aircrew within two months after the signing of this agreement. That was in order to give our boys overseas at least an opportunity of having their commissionable qualities judged by Canadians. I have been asked how this works.

Mr. STIRLING: The minister said he wrote that into the agreement.

Mr. POWER: Yes.

Mr. STIRLING: Does that mean that the other parties concurred?

Mr. POWER: The other parties concurred, but this refers only to Canada. This gives the conditions of service of aircrew of the Royal Canadian Air Force. I do not know whether Australia and New Zealand have since written something similar into their agreement, but I rather suspect that they are following our procedure.

That was the situation in June, 1942. We proceeded to establish the standard which was referred to. We entirely disagree with the system, a sort of casual, fortuitous system, whereby the top thirty-three per cent of any class would obtain commissions. That did not work well. There were some classes much better than others. There were men who were up against strong competition who were much better than men in a weaker class and they did not obtain their commissions. We found that it was a most illogical way of doing it. We therefore set up our standards very much after the system of university examinations. We said that if a man gets sixty per cent in each subject and seventy per cent over all, whether there be a hundred or ten in the class, it does not matter, if he gets these marks he will receive his commission. The result has been a considerable increase

in the number of commissions. I signed selection board papers last week from three different boards in regard to pilots. In one board 76 per cent obtained commissions, in another over 80 per cent; and I have known a board wherein there were only two Canadians, I must say, with 100 per cent, and another where there was 90 per cent. So that the 33 per cent is wiped out.

Mr. GRAYDON: Is there any examining board that will ensure uniformity?

Mr. POWER: The questions are pretty much the same and the syllabus is also much the same. The board is made up usually of the chief flying instructor and probably the chief instructor, ground. Ground subjects, flying subjects and other matters are dealt with. We go back now, in order to get these marks, and follow a man right from the first school he joins, from the I.T.S. He does not fly in the I.T.S., but he gets marks there for ground subjects, character and leadership, and at the elementary flying school he gets marks for the same subjects plus flying. Originally the judgment and perhaps—I say this without wishing to be offensive to anyone—the prejudice of the commanding officer or of someone in the last class in which the man passed was brought to bear. That is inevitable in matters of this kind. But now with the yardstick we have, form 211, wherein all a man's qualities are taken into account and marks are recorded from every school to which he goes, we obtain a pretty good idea of his value by the time he gets through after he has been with us over a year; and on that basis his marks are allotted and he gets his commission, or he does not get it, as the case may be. So far as its effect on the number of commissions is concerned, it has materially increased the number of commissions on graduation.

With regard to overseas, continual representations were being made, and I will give the figures to show that there has been a vast improvement. In November, 1941, there were 25 commissions and in December, 58. In 1942 these were the commissions: January, 32; February, 49; March, 65; April, 64; May, 32; June, 112; July, 44; August, 127; September, 102; October 74. Then in 1943: January, 228; February, 239; March, 167; April, 231; and I expect over 300 in May. That is not yet enough. We have many more to get. I believe, however, that the system is getting into its stride and we hope that within a short time pretty nearly all those who have been overseas for some time and those on active operations will have received commissions or reasons will be given by the commanding officer why they have not received them. When the reason is given it will be a matter for the Royal Canadian Air Force to decide whether it is valid or not. If the commanding officer makes a report indicating that the man is not in his opinion commissionable, and gives valid reasons for that opinion, I do not know whether we would overrule him or not, but that would be a matter for the discretion of the Canadian board, sitting at Canadian headquarters in London.

Mr. GRAYDON: Is the minister satisfied that this is the best arrangement that can be made?

Mr. POWER: I would much prefer to get 100 and let it go at that; it would save much correspondence and trouble. But we are in the empire training agreement with our partners, and if you cannot get everything in any deal you get what you can. Moreover, this must not be lost sight of. The large proportion of our men are serving with the R.A.F. As it is now a very much larger percentage of our men have commissions. They will be in R.A.F. units and it does cause some embarrassment to the R.A.F. You will probably say that I should answer them, "Do as we do", and I will come to that in a moment. The fact is, however, that they have a staunch deep-rooted objection to coming to our point of view. At any rate, a great deal of embarrassment is created, and it must also cause embarrassment here. There are R.A.F., Australian, New Zealand and Canadian airmen graduating in the same schools in Canada. Our men are on the basis of 60, 60, 60 and 70—60 in three subjects and 70 over all. If they get that they get a commission. There might be some Australian, New Zealander or Englishman who had higher marks, but because he was not in the first third he would not get his commission. They do not like that, and some embarrassment is caused overseas. The house will say perhaps that I am getting unduly perturbed about embarrassing people, but I can feel for them although I do not sympathize with their point of view.

Mr. GRAYDON: The only way to get over the embarrassment is to commission everyone in the aircrew.

Mr. POWER: We are getting a much higher proportion both on graduation and in the field than before, though we have not been able to attain the objective we have aimed at. The reasons the R.A.F. oppose this system are these. The R.A.F. have made up their minds from experience that not more than fifty per cent are commissionable. That is to say,

out of a population of a certain number of people who join the aircrew, not more than fifty per cent will be fit to be officers.

Mr. CASTLEDEN: Is there any reason for that?

Mr. POWER: They say that is their experience.

Mr. COLDWELL: Is it experience or tradition?

Mr. POWER: According to tradition it would be much smaller than that. However, they say that is their experience.

They say that is their experience. I deny them the right to say that they have any more experience than we have. We have trained more men in this country for flying than they have. And if it is a question of training citizen soldiers I am inclined to agree with them; if they want to carry it out on the basis of a permanent force and a permanent army, they know more about that than we do. They are sticking to that basis, I think, when they lay down the broad general rule that not more than 50 per cent of the men who come in are fit to be officers.

Mr. GRAYDON: The minister is speaking of aircrew only?

Mr. POWER: Yes.

Mr. GRAYDON: Exclusive of all except those on operations?

Mr. POWER: No; that is everything. They say that of those who have the educational, mental and physical qualities to be aircrew, 50 per cent are fit to be officers and 50 per cent non-commissioned officers.

Mr. GRAYDON: I hope that with very great respect you differed from them on that point.

Mr. POWER: I will show you. I have in my hand a document which is edited by British Information. It is an agency of the British government. It is entitled "Officers and Non-Commissioned Officers of the R.A.F." I am taking up a lot of time of the committee, but I think the committee is interested in this question—

Mr. GRAYDON: It is very important.

Mr. POWER: It says, and this is for American consumption no doubt:

Questions are frequently raised about the apparent disparity of rank between men who are flying and fighting aircraft.

Why are some of them commissioned officers and some of them airmen pilots? Why do some live in the officers' mess and some in the sergeants' mess? Why do some earn the Distinguished Flying Cross, and some the Distinguished Flying Medal for acts of gallantry which are in the same category?

Such questions are natural, but the suggestion of a class element in the choice between officers and other ranks is based on a misconception of facts.

It is clear througout the R.A.F. that class distinction has no influence in the selection of cadets for flying training.

There is no doubt about that:

All cadets are potential officers. All have a chance of securing a commission should they desire to be commissioned, and be judged fitted for holding a commission.

The young officer must rise on his own merits, and can come from any walk of life. Potential pilot officers and potential sergeant pilots start on the same level. Whatever the origin of the man he must enter the ranks of the R.A.F. as an aircraft hand under training, and win his "Wings" and possible commission by his industry, ability and daring.

If the entrant has the physical and mental equipment to handle and fight aircraft of modern war type and has also a certain standard of education, he is accepted for aircrew training and is graded as a cadet. Thereafter his future is entirely his own making.

At the other end of his training there must necessarily be a discrimination, for the flow of promotion to higher ranks in the service must go on, and must come from the pool of young pilots. In order to provide for the necessary numbers of flight commanders and officers of senior rank in a squadron, it is essential to find fifty young officers from every one hundred pilots.

Natural prudence dictates that more officers should not be made at the outset than are required. On the other hand it should be noted that there is never a time in the career of an airman pilot in which it can be said that he is "out of the running" for a commission.

There are also paragraphs to the effect that a great many of those in the Royal Air Force do not want commissions, that they are better off financially without them. It goes on to say:

In the battle of Britain fifty per cent of the fighter pilots who tackled the Luftwaffe over southeastern England were sergeants. To-day, when Hurricanes and Spitfires sweep out over the channel to meet the enemy in French skies, every other pilot of the raiding fighters is wearing the uniform of an N.C.O. beneath his flying suit.

In the forefront of all bombing attacks on the enemy are sergeants, either as captains of aircraft or the majority of the crews. And scarcely a list of R.A.F. awards is issued that does not contain the name of many sergeants.

In the words of a commanding officer, who also flew in the old Royal Flying Corps: "It was always reckoned that sergeants were the backbone of the British army—I think the same can be said of the modern air force."

Mr. GRAYDON: A sergeant would not be any poorer fighter if you gave him a commission.

Mr. POWER: He might be poorer financially according to this statement.

Mr. DIEFENBAKER: Would the minister explain why an officer receives flying pay of, I think, two dollars a day and the flight sergeant or sergeant pilot receives only seventy-five cents a day flying pay? Why is there not equality of payment there?

Mr. POWER: I really do not know. I will look into that. To come down to our discussions with the Royal Air Force and the British Air Ministry, I told the Air Ministry that this matter would have to come up in the house. I said that I wanted to be fair to everybody and that I should like to have a statement of the position they took. I have it here. It is called an "Aide Memoire." This is from the United Kingdom. I will quote a few paragraphs from this and then from my reply if the committee is interested. This "Aide Memoire" states:

When commissioning of pilots and observers first came to be considered it was estimated that no less than half the posts which graduates in these trades were designed to fill would need to be filled by commissioned officers and that accordingly a fifty per cent commissioning standard could safely be adopted, some 33 per cent to be commissioned on graduation and some 17 per cent after service.

This "Aide Memoire" is very recent. It is since the conference was held within the last month. It goes on to say:

When WO/AGs and AGs began to be needed in large numbers, position was (a) that qualification for these trades were more restricted than for pilots and observers and that candidates rejected for the latter trades could be accepted for the former—

That is quite true. It goes on:

—and (b) that a smaller proportion of posts for which WO/AGs and AGs were destined were posts which justified commissioned rank.

These, I take it, were posts on the establishment. It goes on to say:

It was necessary therefore not only to fix lower rates of pay for WO/AGs and AGs but also to fix lower commissioning percentage for them. Percentage fixed was 20 per cent (10 on graduation and 10 after service for WO/AGs and 5 and 15 per cent for AGs) and even this was not strictly justifiable on establishment grounds.

Experience shows that these percentages did not in fact operate to prevent commissioning of air crews who were clearly fit to be commissioned. On the contrary the difficulty was to get enough aircrews recommended to keep percentages filled, and this despite the fact that the monthly reports had to be rendered on all aircrews eligible for commissions. Had it been otherwise steps would have been taken to increase percentages.

Perhaps the committee will be interested in the reply I made to these two paragraphs. I am dealing specifically with the "Aide Memoire" paragraph by paragraph. The first plan in 1939 was that no aircrew would be commissioned. We insisted that we would not get the proper type unless we promised commissions particularly when we were competing in the open field with the army and navy since conscription did not exist in Canada. It had been said that we thought we should have more commissions in order to carry out our policy. I now quote from my reply to the Air Ministry:

Canada had proposed that all aircrew be commissioned, but in the light of strong opposition from the partners, and being unwilling to disturb the happy relations which had heretofore existed between all parties, agreed to the formula first suggested by the United Kingdom, and finally acceded to by all concerned, namely, "that all who were commissionable were to be commissioned", and on that basis undertook to set up its own standards for commissions. (This was done by substituting the "merit system" for the "quota system".)

The standard established by Canada was based on the marks obtained by the pupil in every stage of his training. The marks considered necessary to qualify for commission on graduation were 60 per cent in each subject and 70 per cent over all.

I went on:

The difference between us is simply this. You persist in the view that an arbitrary figure of 50 per cent of graduates, namely 33 per cent on graduation and 17 per cent after service in the field, are in fact commissionable and no more. We, on the other hand, contend that all those who by the marks obtained in their training and that extends over a period of a year, under the closest possible observation, show that they have commissionable qualities should be commissioned.

We do not hold to the view that an increased number of commissions on graduation will lower the standard in any appreciable degree, any more than an increased number of commissions granted for good service in the field will lower the efficiency of the units or of the individual personnel. On the contrary, we believe that our "merit system" has many advantages over your "quota system" which, however well it may operate with R.A.F. personnel, definitely militates against initiative, ambition and consequently efficiency in our men.

Still on this quota system. Possibly our friends in the British Air Ministry fail to see that although in Great Britain with their population and with the class distinctions that exist there, twenty-five per cent, let us say, or perhaps thirty per cent of the population are of a higher cultural and educational standard than the others, that condition does not exist in this country, where I would say eighty per cent if not ninety per cent of those who enter aircrew are of the same cultural or educational standard. I am not criticizing in any way the British system; it may apply perfectly there and may be good for them, but does not apply to us. Our boys have about the same class background, if you want to put it in that way;

they have the same school background, the same athletic background, and they can mix with one another without any class distinctions. I am not saying that in justification or otherwise of the system in force in the United Kingdom, but I think it should be said, and we have so expressed ourselves.

Mr. COLDWELL: I think that is quite right.

Mr. CASTLEDEN: But the fact is that our boys are being penalized because of their system, because if we grant more commissions than they do we embarrass them.

Mr. POWER: We are not being penalized; we are getting more and more commissions. We are coming up.

Mr. CASTLEDEN: According to a return tabled in the house, seventy-five per cent of the men—

Mr. POWER: But we have improved a great deal since February 28, when those figures were given. The thing is working better now.

Mr. CASTLEDEN: Has the minister any later figures?

Mr. POWER: I gave the figures for March and April. For some reason or other March was a bad month, but April was pretty good and I think May was better. There were other reasons given, and I am again speaking the British piece:

If all aircrews were to be commissioned, situation would soon arise that those of superior ability or whose duties require them to exercise command over others would need to be promoted to flight lieutenant. In that event difficulty of choice will not have been disposed of but will merely have been transferred to the next higher stage in rank.

There is one paragraph here in particular which I think the committee should hear:

When their representative agreed in Ottawa in June, 1942, to abolish percentage basis of commissioning for pilot, navigator and bomber categories, they were under the impression that no lowering of commissioning standards was contemplated and they expected therefore that no material increase in number of commissioned would result. Nevertheless it was felt that percentage basis for pilots, navigators and bombers would have a psychological value.

This is a reversion to the idea that fifty per cent were all that were fit to be officers. Then the committee will remember that there was some statement about a review being made every month, with a report being made on each member of aircrew. I took some objection to that, and said:

Canada has some doubts as to the efficacy of the monthly review referred to since of the nine hundred persons whose names had been presented to the air ministry in November, 1942, as having been recommended on graduation for commissions in the field after actual operational experience the United Kingdom high commissioner reported in January, 1943, that 172 had already become casualties and 200 had not as yet been traced.

In order to bring this thing to a head, last November we took a list of nine hundred men who had been recommended, and who would be in this seventeen per cent, and we found that before any action was taken 172 had become casualties and 200 could not be traced, so that we had some slight doubts as to the efficacy of the review made every month. Then I went on to say:

Canada has no objection to an increase in total percentage of commissions; on the contrary, it welcomes it. It believes that the "merit system" on graduation brings out leaders far more effectively than the "quota system". Furthermore, it considers that the procedure now in effect for commissioning overseas will raise the standard of all R.C.A.F. aircrews, both commissioned and n.c.o. rank. The fact that a commission may be won, irrespective of quota or establishment will provide all the incentive, improvement of morale and consequent efficiency stressed so forcibly in your paragraphs 6 and 7.

Then I go on:

. . . it is suggested that our standard of qualifications for commissions is being lowered, with which we do not agree.

Then with respect to another paragraph:

Canada agreed at the conference of June, 1942, to set up standards instead of commissioning all aircrews, and will loyally abide by its agreement, unless in the meanwhile it can persuade its partners, or what we think more likely, they themselves of their own initiative put into practice their own theory that "all aircrews commissionable are to be commissioned." instead of persisting in the belief that an arbitrary figure of 50 per cent is an immutable law.

The final paragraph in the United Kingdom memorandum is this, and I really think it must have been written by somebody who did not have much of an idea of Canadian public opinion. I am sure it was not written by a high official of the air ministry, because we do get on extremely well with them:

For the foregoing reasons the R.A.F. feel it necessary to maintain existing proportions on graduation. It is entirely for Canada to decide what proportion should be granted in the Royal Canadian Air Force and, whatever may be decided, Canadian authorities may count on loyal collaboration of the air ministry and R.A.F. It is only right to point out, however, that if the Canadian decision results in grant in R.C.A.F. of a substantially higher total percentage of commissions than in the R.A.F., then (apart from considerations already mentioned) belief may grow up in the R.A.F. that the R.C.A.F. are adopting a substantially lower standard of commissioning Whether or not

this were true, result would be a lowering of the prestige of commissioned rank in the R.C.A.F., with consequent adverse effects on existing spirit of cordial cooperation.

The natural answer to that is, "So what?" During the course of my discussions, however, I have learned some diplomacy.

Mr. ROSS (Souris): Would the minister permit a question at this point?

Mr. POWER: May I first read my reply?

Mr. STIRLING: Yes, do.

Mr. COLDWELL: I was going to ask the minister if he could tell us how many matriculated students there are in each of the two air forces.

Mr. POWER: I have not the faintest idea.

Mr. COLDWELL: I think that would have a bearing on this question; how many graduates in arts or science also.

Mr. POWER: We have it approximately, so far as we are concerned.

Mr. COLDWELL: I think you will find that we are very much higher.

Mr. POWER: In answer to this last paragraph I said:

> We desire to express the deepest appreciation for the assurance given that the Canadian authorities may count on the loyal collaboration of the air ministry and of the R.A.F. in whatever action it may take with respect to the proportion of Canadian graduates of the B.C.A.T.P. who may be commissioned.
>
> We are confident that the standard we have set is such as to ensure that those commissioned will have the capacity to measure up to their responsibilities in an efficient and satisfactory manner, and we therefore feel no great anxiety with regard to any repercussions which the implementing of the Canadian method may have on the personnel of the R.A.F. generally.

The battle is still on, I may tell hon. members; we are still continuing the fight.

Mr. GRAYDON: Don't surrender too quickly.

Mr. POWER: Well, I did give in as far as I could. I cannot go further, but I have kept on battling to try to get a hundred per cent commissions.

Mr. ROSS (Souris): Suppose members of aircrew are brought down over enemy territory and taken prisoner; would the minister say on what basis the commissions are granted or the promotions continued?

Mr. POWER: That part of the agreement reads:

> The commission will take effect from the date of the original recommendation by the commanding officer of the unit or, if the recommendation has not been made by the commanding officer, from the date of the recommendation by R.C.A.F. Overseas Headquarters, even if the candidate has become a casualty by the time the recommendation is approved.

I do not know that that will work out very well. It might not have worked out well, for instance, before we started really going to town on this commissioning policy, and when there were no recommendations from the commissioning officers. There would be taken into consideration the recommendation made when the boy graduated from the school in Canada—let us say in 1941. That is what we are attempting to do in some way, when we cannot get trace of them. At least we require a recommendation by his commanding officer, even though it may not be his commanding officer on operations. That is something he has on his file. If we can put that into effect it could have a retroactive effect on a great many of those who are now prisoners of war. But the difficulty is not there. The difficulty is that, in spite of repeated telegrams, I have not been able to find out whether or not Germany wholly recognizes any notification by transferring from Stlag which, I believe, is the camp for non-commissioned officers, to Offlag, which is the camp for officer prisoners. I have not been able to find out whether they recognize promotions of which they are notified after a man has become a prisoner of war. I can say that the Italians refused to recognize this. I happened to see a dispatch dealing with that matter, representations made by the British government to the Italian government, to the effect that they should recognize these promotions and commissions, because the Germans did. And I promptly sent, or had the Department of External Affairs send, a cable, saying, "What ho! who told you the Germans did?" I have not had an answer yet, and that happened some months ago.

Mr. ROSS (Souris): In no case has a prisoner been promoted unless the promotion was recommended before the capture?

Mr. POWER: That is correct.

Mr. COLDWELL: The minister deserves every support, and I believe the committee to-day has shown pretty well that it is behind him in his policy. I asked the question about the number of matriculated students and university graduates, knowing something about educational conditions in Great Britain and in this country, and how difficult it is for the average boy in England—even more difficult than in Scotland—either to get as far as matriculation in a secondary school, or subsequently to attend university, and how relatively simple it is in this country for a boy

who has the desire and the grit to make that progress. I am perfectly well aware that the depression in the early thirties enabled us to have a larger number of young men with higher education than was possible in Great Britain for boys from homes on the same income level. I think the argument of the British may apply to the British situation—although I doubt it much, because they are probably following tradition. There has been a tradition in Great Britain for years that even in cricket, for example, two teams may play in exactly the same way, but one might be termed gentlemen and the other merely players. That distinction remains throughout. It appears in the military institutions, and I imagine it is carried into the air force too.

The minister is to be congratulated. Most of us last year, when we heard him speak about the Canadianization of the air force, which subject he developed on the floor of the house, felt that he was doing an excellent job. I know that this group is glad to support him. As one who has the greatest possible regard for the old land, but who understands the class distinctions over there, and the way in which they are perpetuated, I think the sooner we have complete control of our own Canadian air force, the better it will be for Canada and for our relations with Great Britain herself.

Then, if I may allude to one other point while I am on my feet. The hon. member for Rosedale (Mr. Jackman) is in his seat, and he will recall that while we were at a bomber station in Great Britain a year ago last November we were approached, not by sergeants, but by commissioned officers, and were asked by them if we would use our good offices when we returned to London and came back to Canada to see to it that a common mess could be provided, where sergeant pilots, sergeant observers and so on could meet the pilot officers and other commissioned officers. To our boys over there it was distinctly irksome that the men who flew together and fought together, and sometimes died together, the moment they alighted from their planes were separated into two different messes. That suggestion, made by officers we met in England, enters into this very discussion. The men themselves want to see this distinction erased. I say to the minister that I hope he will go all out, and that he will have good results in the end.

Mr. POWER: There is one other very strong argument used by our opposite numbers in the Royal Air Force. I did refer at the conference to the idea of a joint mess. The matter was discussed, and I gathered from what was said that they had such a thing in the middle east command, and I think in India. I do not know how far we got with it—perhaps we did not get very far. The strongest argument used by the air ministry is this: They say that one does not give commissions for risk taken, for hazards, or for bravery. They say that one gives decorations for bravery; one could win the Victoria Cross. Commissions in their opinion are not given on those grounds, and it is their belief that to give commissions to all aircrew would be making them a kind of supermen.

Mr. GRAYDON: They pretty nearly are supermen.

Mr. POWER: Well, I am just stating their argument. They say we would be making supermen of these men whose duty it is to get into an aeroplane, fly away, fight the enemy, come back and be heroes. They do not put it in exactly those terms, but that is the gist of it. They point out further that if we did that we should take all the crew of a tank, and have them commissioned and, going beyond that, we should extend it to all members of the crew of a submarine—and so on down the list. I do not wish the committee to get the idea that they have not what appear to them to be pretty strong arguments. In the memorandum I received they point out that a man has duties other than his flying duties. I take exception to that, and say most of the boys in the flying squadrons do not do much more than take part in their sortie, and come back and rest. The boys in the fighter squadrons are not on such long operations.

I wish the committee to understand that in these discussions with the United Kingdom we have reached the point where we can be argumentative without being enemies, and where we can discuss and put forward our views in a straightforward, honest and frank manner without being acrimonious. My personal relations with those on the other side, and the members of the air council, are of the happiest. It is just a straight difference of opinion; I think, based upon a difference in temperament, character and upbringing. That is about the size of it. We have to stick to our own side of the question. We have taken this point of view, and I think we should stick with it. Of course if they do not wish to change their point of view, I do not see why they should be forced to do so. I must say however that we caused them some embarrassment.

Mr. JACKMAN: Would the minister say how the United States system is working out?

He said that they had some intermediate rank between their commissioned officers and top sergeants.

Mr. POWER: Yes; it is generally thought that the Americans commission more widely than other countries. As a matter of fact they do not. One of the things, I believe, which influenced the conference was the fact that the Americans were getting away more and more from what might be called wholesale commissioning, or the commissioning of everybody. They were going in the opposite direction from that in which we were going. I think in their permanent force, their pre-war or pre-Pearl Harbor force, they commissioned a much greater percentage of pilots, navigators and bombers than they do now. At the present time they commission only a percentage of their pilots, not 100 per cent, and a number of others are made flight something or other, it may be flight officer, but I cannot remember the name. They are on probation for three months' active service, and possibly longer if they do not make the grade or if they are serving at home. Navigators who must work harder to pass their examinations are commissioned 100 per cent. The percentage of bombardiers who are commissioned is less. I have not these figures at the moment but I shall place them on *Hansard* later. Their gunners or wireless operators are not commissioned at all, they are enlisted men. Their flight engineers, of which we are starting to have some and about which we have not yet come to any agreement with regard to commissioning, are I believe all enlisted men.

If any members of the committee saw the picture "Air Force" which was exhibited here recently and which gave the details of the flight of an aircraft which flew a fabulous number of miles from San Francisco to Hawaii, from Hawaii to Wake Island, from Wake Island to the Philippines and from the Philippines to Australia, will remember that the crew consisted of a pilot officer, a second pilot officer, a navigator officer, a wireless operator air gunner who was an enlisted man, an air gunner who was an enlisted man and who was very cross because he had been remustered from a pilot, as some of them have been here, and a flight engineer who was a sergeant of twenty years' experience.

I have the figures here which were obtained from the air attache and from the United States army, and they indicate that they do not commission as great a percentage of their aircrew as we do. The same thing applies to the German air force which commissions a smaller number than either the R.A.F. or the R.C.A.F. The French air force when it existed consisted to a large extent of non-commissioned officers. I have taken the trouble to get some comparisons. These are not strictly accurate but they will give some information to the committee and I shall place them on *Hansard* as soon as I find them.

Mr. McNEVIN: Mr. Chairman, I should like to make a few observations with respect to the matter under discussion, but before doing so I join with the other hon. members who have extended their congratulations to the minister upon the comprehensive and exhaustive review he has given of the operations of the Royal Canadian Air Force. Like many other districts, the district which I represent has given a substantial number of personnel to the R.C.A.F. and in common with many other districts has suffered a substantial number of casualties. To those who have been bereaved I extend my sincerest sympathy.

There is one item with respect to pay and allowances to which I wish to refer. I have two cases in mind of wives of pilot officers. The one wife is working for the civil service of Canada while the other is a member of the women's division of the R.C.A.F. In each case the pilot officer has assigned $50 per month to his wife. As I say, the one wife is employed in the civil service and receives a salary of approximately $95 a month. She also receives a marriage allowance of $45 a month, which gives her a total income of $190 a month. In the second case the wife has received a B classification in the women's division of the R.C.A.F. and is paid $1.30 per day, or $39 per month. I am not unmindful of the fact that the wife working for the civil service must provide herself with lodging and board and a certain amount of clothing, which would be a matter of expense. There appears to me to be discrimination in connection with the incomes received by the wives of these two officers who are serving in a similar capacity. The one has a total income of $190 a month while the other is receiving only $89 a month. I am of the opinion that in cases where the wife of a member of any branch of our forces enlists she should get the marriage allowance. I understand that in the Royal Air Force the dependent's allowance for a wife without other dependents amounts to four shillings a day, or about $30 a month. There is no distinction in that country between a wife serving in the women's division of the R.A.F. and one employed by the civil service or in some other capacity. I do not know to what extent attention has been given to this matter, but I trust that full consideration will be given these representations.

Mr. POWER: The question of women in the forces generally, that is, army, navy and air, receiving a dependent's allowance on enlistment, is a matter which has been considered seriously by the three services for some time past. There is now before the government for consideration, and I hope early adoption, a submission that the wives of members of the forces should retain their dependents' allowances upon appointment or enlistment to any women's division, to the same extent as if they were employed by the civil service at a salary and bonus of $3,000 or less per annum. As the committee knows, at one time women in the civil service whose husbands were in the forces were obliged to abandon their allowances or give up their jobs, but that system was abolished. The armed forces have been trying to get the same consideration for women in their divisions as is given to women in the civil service, and I have every reason to believe that the suggestion will be adopted.

Mr. JACKMAN: Is it the treasury board that is holding it up?

Mr. POWER: I do not want to blame them for everything.

Mr. CHURCH: This item which relates to pay and allowances was before the committee last year. At that time the minister made a statement and I quoted the discussion which had taken place in the British House of Commons in connection with this question of sovereignty. There are some Canadians who prefer to serve in the Royal Air Force. We had it in the last war. The whole scheme as operated then was that Canadians served in the Royal Air Force. There was no Royal Canadian Air Force then. The Royal Air Force had a headquarters in the city of Toronto, and trained 16,000 pilots and air mechanics. Now a change has come. We have a dual and a duplicate system.

The present minister is a child of the House of Commons; that is what Mr. Churchill called himself, or, as Mr. Churchill also put it, a servant of the House of Commons. It is a great credit to him. His father, too, was a member of the house. No matter to what party an hon. member belongs he knows that if he writes to the minister on any matter, the minister will give him full information to the best of his ability. I hope he will follow the same practice in the course of this discussion on commissions, a discussion which, in my opinion, is of no benefit to the empire training scheme. There should be no division in this matter, no attempt at and no emphasis on status or a divided sovereignty. From this point of view I am opposed to separate Canadian squadrons. Some people believe in separate squadrons, but I am not convinced that we are following the best practice. For instance, I believe that the right way to win the war and to get the best results for money spent is to adopt a system which will not overemphasize the educational test. Education is not everything in the equipment of an air officer.

Consider, too, how we are distributing commissions. There are in this branch no fewer than 5,459 civilians or men who have received commissions from the government without any prior war training. In addition to that, forty-one press officers have been given commissions, though very few have any training in air force work.

I contend that the empire air scheme can be used as a means of uniting this empire as it was never united before, not only during the present war but for what will happen after the battle.

When this item was under discussion last year, many inequalities were disclosed in the printed schedule or blueprint which the minister laid on the table of the house. Without any very evident reason, some had got commissions while others had to be satisfied with the rank and pay of sergeants. I believe too much attention is paid to the application of an educational test on entrance in the air scheme. Beurling could not qualify under those conditions; he, and many like him, had to go overseas at their own expense to enlist.

I wish to compliment the minister upon having a splendid assistant. He adopts the same principle as his chief, in giving the members of the house information about the department. He is one of the most learned men in Canada, and one of the best informed on modern warfare, and a fine soldier himself. He knows what this empire means and what we are fighting for. I have personal reason to thank him for what he has done in connection with one or two matters I took up with him last week.

The estimated expenditure this year on pay and allowances is $238,000,000 as against $148,000,000 last year, an increase of $89,000,000. This additional amount should be sufficient to take care of existing inequalities. Let me tell the minister that nothing has caused more dissatisfaction in all the armed forces than inequalities of pay, because this is a citizens' army, and I may add that few hon. members knew inequalities existed until the minister laid on the table last session a blueprint showing the pay of all ranks from the lowest right up to the top—pay, subsistence allowance and for two to four children and dependency. The inequalities extend to overseas men as well.

Arising out of what the minister said about commissions, I should like to see some allowance made to those young men who, without waiting on the outcome of the division of opinion as to whether we should maintain a separate staff and display our sovereignty in connection with the armed forces before this began and after, went overseas at their own expense, entered the ranks and got commissions in the United Kingdom. I contend that their out-of-pocket expenses should be refunded to them or to their parents, since they incurred a good deal of expense in getting overseas and taking their training. It would be a kind and, indeed, efficient action; it would also be only just to those who did not wait for the war to break out or for the establishment of any empire training scheme, but went over, some in cattle-boats, some with less than the educational requirements for commissions, and worked their way right up to the top of the ladder. In this connection we might bear in mind what other countries are doing. In Germany and in Russia, after many of their generals failed, what did they do? They went out and got civilian generals almost literally off the street. Some of them were called in from commercial pursuits and not only given commissions but put in command of units. I have in mind a speech delivered in the British House of Commons by a very fine soldier and distinguished member of the house, Major Markland, who returned from active service to take part in the debate on this particular subject. It is possible in Canada during the commission test to go too far in emphasizing the importance of educational requirements.

For a long time the department suffered in the city of Toronto from a sort of dual control wielded by the air force and by the civil service commission, and there was considerable complaint about inequalities in pay and allowances. However, the present minister has gone into the matter, and I had a letter from the chairman of the civil service commission stating that a satisfactory arrangement had been worked out whereby civilian workers, except in some very minor cases, were being appointed by the commission.

Inequalities in pay are, however, still continuing. I have already referred to the 5,459 officers reported in return No. 394. I have nothing but praise for the air scheme and system as a whole; it is one of the most glorious achievements in the history of the empire and has done a great deal to hold the empire together. But I cannot understand why it has been necessary to commission 5,459 civilian officers. They are distributed in part as follows: headquarters—430; No. 1 training command—1,148; No. 2 training command—623; No. 3—647; No. 4—577; eastern command headquarters—135; other units of the eastern command—526; western command—161; other units—281; overseas—565. Yet there are others doing good service with a much lower rank and pay. For instance, L.A.C.s, group A, $2.25; group B, $2; group C, $1.75; others, $1.50.

Return No. 216 relates to pay and allowances. It gives a list of forty-one press liaison officers and others engaged in the department, very few of them with any military experience whatever, who wear a uniform and get commissions and officers' pay. It states that they are entitled to "actual out-of-pocket expenses while absent from Ottawa." That may mean anything. A man may be in England; he may be travelling to Australia; he may be going to some other place. One went all over the world at a great cost. I think the committee is entitled to know in more detail what these allowances of rank are.

In conclusion, I wish to say that the work which the department has been doing this last year will write one of the most glorious pages in Canada's war record. Three or four weeks have been taken up in debating the army appropriation. I do not think so long will be occupied with the minister's department. But let me point out that, if the principle which I raised here in connection with pay and allowances in the debate of 1941, and again in 1942, had been carried out, seventy per cent of the questions which hon. members have had occasion to raise on the war appropriation bill could have been answered daily on the orders of the day. The matter can be stated in just a few sentences, and I placed it on *Hansard* in 1941 and early in 1942. In a new book on parliamentary procedure published last summer by G. F. M. Campion, second clerk assistant of the British House of Commons, now Clerk, and knighted, there appears the following: from a textbook which is almost as good as that of our own Clerk:

> Not later than three o'clock the question hour begins. This is a more important item of business than any yet described. It is expected to provide lively moments and seems to be of unfailing interest to members and the public. It is modern and affords a useful method of supervising the administration of the government. Its effectiveness is generally recognized. Questions "turn a searchlight upon every corner of the public service." (Lowel, i.332.) Their chief object is "the explanation to the public of the meaning of political events", and "they are often arranged by the government itself, so as to give them an opportunity of making announcements in a somewhat informal way."

(Redlich, ii, 241 and 242.) They are "serviceable as obviating the necessity in many instances of more extended debate and of motions for papers." (Todd, 1982, ii. 85.) And finally, "Questions afford to the private member under modern conditions almost his only opportunity." (Marriott, i. 571.)

Under our standing order 1, in all cases not provided for in our rules, the usages and customs of the British house shall be followed. I am quite certain that it is a member's right to ask pertinent questions of a minister on the orders of the day being called. The last time this question was before the house the Clerk gave that opinion to a committee revising the rules, and I suggest that, if that opportunity had been accorded us, seventy per cent of the time taken up by the three ministers in answering questions on the war appropriation bills could have been eliminated. Instead of that we have only one opportunity a year on this particular bill for appropriations.

I wish to compliment the minister upon the explanation he has given. In my opinion there should be an amendment to these educational tests now that we have high-school cadets. They are leaving school at sixteen and seventeen years of age to work on the farms, and they cannot have the educational tests that were given in the early days of the war to those entering the air force and going into the manning pools. There should be an amendment along this line, applicable to these recruits, because after all this is a voluntary organization, a citizens' army, and one in which the people of Canada have taken a great deal of interest and of which they are justly proud, and they are interested in it not merely on account of what the air force is doing in this war but on account of the service it will render afterwards to keep the empire together.

Mr. REID: Would the minister care to make a statement with regard to complaints reaching some members, including myself, on the subject of leave of absence granted to men who are fighting in Great Britain or other parts of the world? Complaints have reached me that there is a difference in the length of time of flights which an airman makes from Great Britain over France, depending upon whether he is a bomber or a fighter. For instance, I had a letter last week from a young airman who has been about two years in England and has made many flights over France and Germany. He is a fighter pilot. He states that up to the present he has done about thirty-two flights. Had he been a bomber, he says, he would have been given leave of absence to come back to Canada when he had thirty flights to his credit. He wonders whether, when one makes four flights in one night, those flights are counted as four or whether they are counted merely as one trip. Could the minister make a statement as to the procedure? How long must one of our airmen remain over there before he gets leave of absence, and how many flights has he to make over Germany or France before he is granted that leave?

Mr. POWER: Usually the sortie or mission of the fighter pilot is from half an hour to three-quarters of an hour, whereas the same kind of job of the bomber is from eight to ten hours. They have operational tours. I am not at liberty to state what length of time must be flown to complete an operational tour but certainly there are much fewer sorties in a bomber than in a fighter. Rules are laid down as to how many sorties shall constitute an operational tour for bombers, for fighter pilots, for coastal command, for army cooperation and so on. After an operational tour, the personnel obtain two weeks leave of absence and then are usually posted to an operational training school for about six months and sometimes are returned to make another operational tour. That is about all the information I can give at the moment.

Mr. BENCE: I should like to ask a question in regard to agricultural leave. I have received complaints with regard to No. 7 I.T.S., Saskatoon, in connection with applications for agricultural leave. Early in March application forms were made available for the men there who wished to apply for agricultural leave. I believe the leave is six weeks. Applications were sent out, and nothing further was heard about the matter until an order was issued refusing all leave in that particular station. I refer to air force administrative order A 24-5.

Mr. POWER: Will the hon. member read the order?

Mr. BENCE: I have not it here. A general order was sent out that no leave should be given to the personnel of No. 7, I.T.S.

Mr. POWER: That is aircrew?

Mr. BENCE: Yes. It is an initial training station.

Mr. POWER: They are aircrew?

Mr. BENCE: Yes. I should like to know why individual applications were not considered on their merits instead of a blanket order being issued refusing any leave for

these men, particularly in view of the fact that they had been given to believe, inasmuch as they were supplied with these application forms, that the cases would be dealt with on their merits.

Mr. POWER: At the present time I am keeping all the aircrew I can, and I will for the rest of the war. If a man is in the aircrew, he is not going to be a farmer and he will not get leave. I am not giving farm leave to aircrew. There is to be no extension of farm leaves for ground crew beyond two months. If anyone wants an extension, if he is ground crew and is not valuable otherwise, not a man on whom we have spent $10,000, he will either be in the air force or be a farmer. He will take his discharge if he wants more than two months, but I am not running an air force to go farming, but to fight overseas and to train here. If a man enlists in the aircrew he enlists of his own free will and he must go through the training for a most important job of work, costing us $25,000 if he is a pilot, $27,000 or $28,000 if he is an observer or navigator and so on. I do not think we can afford to let him go away on farm leave. I do not know whether the committee will agree with me, but so long as I have anything to do with the air force, either it will be an air force or they will be farmers and will go back to their farms. I do not wish to have a double-barrelled organization, running farms and an air force at the same time.

Mr. BENCE: That is all very well, and I am not disputing that statement. But I wish to know why these men were given application forms, and six weeks later this general order came through.

Mr. POWER: Probably because I changed the order some time in the last month or so. I am sorry, but I changed the order. It had reached the point where we had to lay down the rule that aircrew were not to be given farm leave, and that rule was laid down. I suppose it affected some particular men who had put in their application before. Whatever rule or regulation is made is bound to affect somebody who is a border-line case. I suppose that some discretion might have been allowed or a warning given, but probably I did not think of it. Perhaps I am to blame for that.

Mr. DIEFENBAKER: That order just applies to aircrew and not to ground crew securing leave.

Mr. POWER: Ground crew obtain leave on application to their commanding officer, but if they apply for an extension after two months we usually tell them: You had better stay home and farm.

Mr. DIEFENBAKER: I asked the minister a question a while ago about the inequality in flying pay between the commissioned officer and the non-commissioned officer in the aircrew. As the matter now stands, the officer receives two dollars a day flying pay, while the non-commissioned officer in the same crew, doing exactly the same work, and often in charge of the ship, receives only seventy-five cents a day. I have heard a great deal of complaint about that. The crew perform similar duties; they are aboard the same ship, all contributing equally in the work of the ship; yet there is this difference made in flying pay. I can understand a difference in pay so far as rank is concerned, but it does seem unfair that the commissioned officer and the non-commissioned officer should not be on the same footing so far as flying pay is concerned. I know the interest which the minister shows in the men, who honour him as their minister, and I would suggest that he give consideration to this matter.

The minister said a while ago, in answer to the suggestion of the hon. member for Rosetown-Biggar that there should be an aircrew mess, that that was being done in the east. As I understand it, the Australian air force has adopted that system and it has been a great contribution to morale among the crews to meet as equals in a common mess when they return from their tours of duty.

I also wish to say a word in regard to the women in the Royal Canadian Air Force and in the other services. As I understand the regulations, any woman who joins the air force and theretofore was in receipt of a dependents' allowance is immediately deprived of it.

Mr. POWER: I just answered that a moment ago.

Mr. DIEFENBAKER: I appreciate that, but it seems unjustified. I would like to know from the minister whether the intention this year is to increase the scope of activities of the women in the air force. I remember very well bringing this matter up in March, 1941, and suggesting to the Minister of National Defence the need of mobilizing the women of this country. He told me at that time that not more than fifteen hundred women could possibly be employed in the army. But with the passing months and years that estimate has been greatly exceeded. To-day, while we pay

tribute and deserved tribute to the men in the air force, we ought also to pay tribute to the women who to-day are serving not only in the air force but in the other armed services.

There is a matter which I had not intended to mention, but I feel that the members of this house owe it to the women in the armed services of this country to protect their names from calumny which all too frequently is indulged in. These women are giving of their best, and while they are honoured generally throughout the country there are some persons who indulge in slander against them. I personally feel that there is one way in which this unjustified slander could be and should be terminated, and that is by a series of prosecutions being taken under the defence of Canada regulations against the rumour-mongers. All of us have occasion to see the wonderful work that these women are doing in the air force and in the other services, and we as members and as Canadians owe it to them to uphold their good name and to assure those who dare to scandalize them that they will be fittingly punished. I suggest to the minister and to the other heads of the defence department that a few prosecutions would put an end to what is all too frequently the contribution of some people who seem to have nothing better to do than to cast aspersions on the good names of those who serve.

Mr. MacNICOL: I have a question to ask the minister in reference to pay and allowances in connection with the fleet air arm. The minister may have said something about it while I was out. If he has not, I shall be glad to get this information. I know a number of young men, highly educated, who have gone over to England recently and joined the fleet air arm. They are young lads less than nineteen years of age. Apparently they enlist one day and within a day or two afterwards are on the way to England. I understand that when they return they go down to the southern states for further training. If the minister is familiar with this—

Mr. POWER: That is the fleet air arm. I have not the faintest idea about that. That comes under the navy, and my hon. friend will have to ask the minister for naval services.

Mr. MacNICOL: Then I will ask about pay and allowances on the navy estimates.

There is another matter on which I wish to say a word. The papers to-day publish the decorations that have been well earned by Canadians. I notice that Mr. and Mrs. Deutscher of Odessa, who have eight sons in the Royal Canadian Air Force, were recently honoured at an outdoor gathering. They deserved it. Has any consideration been given to recognizing those parents who are giving a large number of sons to the armed services? There is a Scotch family in my riding, living at 82 Harvie avenue, Mr. and Mrs. David Seggie, who have seven sons in the armed services; and if any consideration is being given to recognizing in some way parents who have given so many sons to the armed services, this family might be considered. Of course I know it can be said that a family with only one son are contributing much because they are giving their all. Nevertheless I feel that the father and mother of seven or eight or nine sons in the armed services deserve some sort of recognition.

Mr. JACKMAN: The minister was very frank and as explicit as we could expect in regard to the commissioning of our pilots overseas. Might I ask if he could give any more information on the procedure which is being adopted? Are the deficiencies, if I may call them that, in the commissioned ranks of the boys who have been over there for some time being made up by reason of this periodical two-months' review of their record? I understand that the Royal Air Force authorities, in conjunction with Royal Canadian Air Force headquarters overseas, review the record of a man who has been overseas for more than two months. Once they do that; once the case is reviewed by the two authorities, is there a further automatic review every two months or six months? Then the other method of getting a commission is by the member of aircrew making his own application, when he is not recommended by his commanding officer. Are both these systems working, or is one not effective? Just how is the whole matter of rectifying the situation, as we see it, being handled?

Mr. POWER: I think both systems are working. We have liaison officers in, I think, six different districts in Great Britain, and of course in addition we have a headquarters in Cairo. Probably we shall have one in India before long and possibly also one in North Africa. They are intensely interested in going ahead with this commissioning. Our liaison officers visit stations wherever there are Canadians in the Royal Air Force or in Canadian squadrons, and by that means we are pushing forward these commissions. I gather from the air ministry that they are doing their best to bring them to the attention of the officers who finally pass upon them. Then last November, as I said a moment ago, we hit upon a plan of handing to the air

ministry nine hundred names of men who had been recommended, and said, "What about it? These fellows were recommended on graduation. Why don't you give them their commissions?" They have been looking for some of those men ever since. We have also hit upon another plan, of going right back to the inception of the training plan, and every one who has had 60-60-70 is given a commission. That is one way of getting more of them in. Usually we do consult the authorities, to see whether or not there is anything against a man, but we are commissioning back as quickly as we can in that way, so that we are making up for a good many who are of the backlog. With the representations we are making I think perhaps the provision with respect to personal application for a commission will not be so necessary as it appeared to be a year ago, when it was first introduced.

Mr. JACKMAN: In order that the review provision and also the personal application may not become dead letters, is there a special section of the Royal Canadian Air Force overseas set up to deal just with those matters?

Mr. POWER: No; but we have a personnel section overseas which deals with all the interests of our personnel. I do not think a week goes by without my reminding the air officer in command overseas that he has a job to perform in getting commissions through for our boys over there. This seems to be one of the important things we do, to stir up our own people and have them stir up the air ministry. I can assure my hon. friend we are just camping on their trail as constantly as we can.

Mr. JACKMAN: Then may I ask a question in regard to the marks of the boys who are now going through. As I understand it, the total marks are in three classifications; for ground work or theory, for actual flying, and for character and leadership.

Mr. POWER: Yes. The third classification used to be called, "officer qualities," but we changed it to "character and leadership."

Mr. JACKMAN: Is that simply a matter of what an officer thinks of a man from his observation, or has it to do with anything written? It is pretty much a matter of opinion, I suppose.

Mr. POWER: I could send my hon. friend a copy of form 211, which covers both sides of a very long page. It has to do with a man's aptitude, his initiative, how he acts, whether he does things without being pushed to do them, whether he gets along well with his fellow men, whether he does this, that and the other thing.

Mr. JACKMAN: It sounds pretty scientific.

Mr. POWER: I think it was made up by a man who was employed by one of the large insurance companies for the purpose of checking on personnel and by an officer by the name of Chant.

Mr. JACKMAN: I think there is a psychology professor by that name.

Mr. POWER: I believe he is a psychologist, and if I am not mistaken he was employed by one of the large insurance companies at Hartford. In any event, he had been doing this sort of work for an insurance company and, with the assistance of others, he drew up this form 211. I have no objection to showing it to anyone in the house. It is a complicated affair, but I am told that it does bring results.

Mr. JACKMAN: Perhaps hon. members would not succeed in that test any more than the minister succeeded in the other one.

Mr. POWER: There are a great many of my hon. friends who would not succeed on that test, I am sure; there are questions with regard to sociability, politeness, garrulousness. All the prominent characteristics of members of this house, as well as the general public, would be checked and marked. There are a great many to whom I would not give a commission under form 211.

Mr. CASTLEDEN: Perhaps the minister would answer a couple of questions which were asked yesterday. The first was, why does the air force not pay the members of the women's division the same pay as men for equal work? The other question was why dependents of members of the women's division are not given dependents' allowances.

Mr. POWER: In reply to the second question, that is under way, and I confidently expect that within a few days it will be settled. In regard to the first question, I really do not know why we do not give the same rate of pay to women. Originally in both the army and the air force women were paid two-thirds the basic male pay. I do not know where it came from, but I am told we followed the example of Great Britain. In any event, the suggestion now up for consideration is that the basic rate of pay for women be increased to four-fifths, or eighty per cent. I made some inquiry in the matter just before I came here to-day, and I am told that this is the ratio between men and women

in Great Britain. What that has to do with us, I do not know, but someone hit on that. Then the question arose as to trades pay, and some of us took a very strong stand that if a woman were performing the work of a man in a trade, at least she should get the same trade pay; she was getting only two-thirds before that. A man doing a job as parachute packer in our lot, say, would not be as good at that job as a woman, but he would be getting twenty-five or fifty cents trades pay, whatever it might be, while the woman would be getting only two-thirds of that. We have made representations that the women be put on a level with the men so far as trades pay is concerned. I think the provisions of the new pay schedule for women will be: first, a raise from two-thirds to four-fifths of what is paid the men; second, full trades pay for the work done; third, dependents' allowances, just the same as though the woman were employed in the civil service or in any civilian capacity.

Mr. CASTLEDEN: Has the minister any idea when these new rates of pay may come into effect?

Mr. POWER: They should come in soon, because the matter has been hanging for a long time.

Mr. EMMERSON: I should like to ask the minister if our men in the R.C.A.F. overseas are able to draw the full pay and allowances of their rank now, or is the situation the same as it was some time ago, that they are paid on the basis of the R.A.F. pay?

Mr. POWER: We are still deferring pay. I think, however, when the boys go on leave they are allowed to draw a portion of their deferred pay.

Mr. BRUCE: Perhaps it would not be inopportune to say a word at this time about the medical service the minister has established in connection with the air force. I know something of the work of the men connected with that service, and I wish to commend him upon the splendid staff he has been able to get together under, first, the able leadership of Doctor Ryan, whose rank I am never sure of—

Mr. POWER: The hon. member is not the only one who makes mistakes of that kind. The minister does not know all the ranks yet.

Mr. BRUCE: I believe Doctor Ryan was air commodore. I believe Air Commodore Ryan was the first medical officer who assisted the minister in the development of a medical service for the air force. Then, when he left he was followed by Air Commodore Tice, who is the very worthy succesor of Air Commodore Ryan. In that service we also have Professor Best who, I believe, is a squadron leader—or has he gone higher than that?

Mr. POWER: I do not know.

Mr. BRUCE: And there are a great many others, including Doctor Tisdale and Doctor Clark Noble, who are doing extraordinarily good work in connection with the scientific side of flying.

I do not think the public realizes fully what that service means. It is a highly specialized part of medicine. For the last two or three years some of these men have been undertaking scientific research in various parts of Canada, and the results of their efforts have led to a great improvement, not only in detecting men who are incapable of flying, but in developing methods which will improve the efficiency of the flying service. I do not think any words of mine could too greatly exaggerate the great value of the scientific contribution made by the medical service for air.

I have heard criticism from some parts of the house about there being three medical services. Well, there may be some merit in the criticism—I am not prepared to express an opinion at the moment. I can conceive of there being one head and three branches, for the air, the navy and the army. There might be efficient coordination, if that were done. But at any rate, starting from scratch, the minister has developed a medical service in his air force which is second to none anywhere.

I regret I was not present in the house the other evening when the minister made his first presentation. I wish to commend him upon his admirable report, and the frank manner in which it was given. I am sure the development of the air training plan has met with the approval of the majority of people in Canada, certainly the majority of those with whom I have talked. I always think that frankness has its own reward, and hon. members feel when they question the minister that they receive an honest, straight and quick reply.

Mr. MARSHALL: I should like to express my appreciation of the splendid work the minister has done in connection with the air training plan. Some little time ago I placed on the order paper some questions which related specifically to the recognition by way of promotion for merit of radio technicians in the Royal Canadian Air Force who are serving overseas. On that occasion the minister said that he would be pleased if the question could

be taken off the order paper, and that he would answer fully when the war appropriation bill was under consideration.

In connection with this matter I would quote briefly from a letter which, I believe, covers the matter I have in mind. This letter was received only a short time after my questions were placed on the order paper. It states:

As a member of the R.C.A.F. enlisted as a radio technician or "radio D.F. mechanic", as they are now called, I would like to bring to your attention certain facts regarding conditions in this branch of the R.C.A.F. . . .

While writing as an individual, I may state that my views expressed here are shared by a large number of people, both within and outside the R.C.A.F. These views are certainly those of the majority of radio technicians. As one of a group of 500 here waiting posting to Clinton, Ontario, I have been able to discuss the subject with a large number of them, and most of them feel the same way as I do on this matter.

Our main grievance is the lack of promotion in the R.C.A.F., once we complete our course and go on active duty. Our course is one of the hardest in the R.C.A.F., consisting of eighteen weeks study on radio principles at a university, and then courses on radio-location at Clinton, Ontario. Those passing the examinations at the end of the university course are reclassified from A.C.2 to L.A.C. and also get "B" trades pay, so that their pay increases from $1.30 to $2 a day. The Clinton course is six weeks, but approximately 50 per cent passing this course take a second course of two months. A very small percentage of those successful in the second course receive commissions. All the remainder are posted out as L.A.C.'s, "B" grouping, to active duty.

All the evidence that I have seen, both in the form of letters from radio technicians on active service, and press reports, show that we receive no further promotion. A number have obtained "A" trades pay (25 cents a day more) and a few, corporal's stripes, but the great majority remain L.A.C.'s. Many of these men are university graduates in arts or science, and a number qualified to obtain commissions in the army. They preferred the Air Force to the army, however, and being ineligible for aircrew, were told that their qualifications and education could be best used in the trade of radio technician. An examination of a list of graduates of any university who have enlisted in the R.C.A.F. shows that practically all those in any branch except radio-location work are commissioned officers, holding their rank because of their education and technical qualifications. But of those enlisted as radio technicians, 90 per cent will be found to be only L.A.C.'s. I have personally examined the lists appearing in the quarterly issues of the McGill *Alumni News* and know this to be a fact as regards McGill graduates, serving in the R.C.A.F.

Radio technicians feel strongly that they are getting a "raw deal" and that either their services and abilities are not being properly recognized or that, if they cannot advance beyond the rank of L.A.C., then their talents and abilities are misplaced and could be used to better advantage elsewhere in the R.C.A.F. or in the other services. This feeling is strengthened when they see large numbers of men receiving promotions to N.C.O. ranks in other branches of the R.C.A.F., often soon after they have completed their courses. They see "washouts" from the radio mechanics' course remustered into other trades where they quickly obtain N.C.O. rank. If they had joined the army for radio-detection work, they could have obtained sergeant's stripes; if they had enlisted in the navy for submarine detection work (a course similar to the R.C.A.F. radio-detection work) they would have been given the rank of petty officer. The American army gives either N.C.O. or specialist ranking to all their radio technicians. And when they find that being an L.A.C. makes them liable to fatigue and general duties and ordering around by disciplinarian N.C.O.'s, many with not half their intelligence, then they wonder why they entered the course at all. . . .

Most people with whom I have discussed this subject feel that radio mechanics should receive n.c.o. rank as corporals and sergeants following completion of their course, or they should be rated as technical n.c.o's and specialists as in the American army. Almost without exception, every member of the R.C.A.F., whether aircrew, radio technician or in some other trade, definitely believes that radio technicians are not getting their fair share of promotions in the R.C.A.F.

That was sent to me by a graduate of the university of Alberta who is a B.A. and also a Bachelor of Liberal Science of McGill. Would the minister be good enough to make a comprehensive statement with respect to this matter?

Mr. POWER: The matter of radio mechanics is another matter that requires a great deal of explanation. I have a statement that I am ready to make, but I do not think I could give it inside of ten minutes. A number of hon. members are interested in these radio mechanics and there is quite a story to be told. I should like to make this statement to-morrow.

In the meantime I can answer some of the questions asked by the hon. member for Lake Centre. First, he wanted to know why officers receive $2 a day flying pay when other ranks receive only seventy-five cents a day. In answering this question I may say the developed view regarding the flying pay is that it must be regarded primarily as payable for the qualifications of being graduated through a course and of being able to fly operationally as part of an aircrew and of being under continuous liability to fly. An officer meeting these qualifications receives $2 a day flying pay, whereas a sergeant pilot receives seventy-five cents a day flying pay and seventy-five cents trades pay, or a total of $1.50. The difference of fifty cents a day is attributed to the higher responsibilities devolving on an officer and the greater expense incurred by an officer in obtaining the recreational facilities which are so necessary for aircrew. The officer who sent me this communication adds what I

think is the crux of the situation when he says that the difference arising for officers and air men is a carryover from peace-time practice. I shall be ready to answer any questions dealing with pay and allowances and with aircrew even though we may pass this item to-night. However, if the committee does not wish to pass it, it is all one to me.

Mr. BRUCE: A moment ago I referred to Professor Best, who I wrongly stated was in the air force. He is actually in the navy, but it was an associate of his in the Banting institute, to whom I was referring, Squadron Leader Frank, who has made great progress in our knowledge of high altitude flying.

Mr. JACKMAN: There is another matter in connection with flying pay or whatever it is called technically in the service. Certain high administrative officers get this allowance even though they do no actual flying, or certainly do not pilot planes themselves. Is this not just a hangover from olden times? Is there any justification for a man who of necessity sits behind a desk, not because of any desire I admit, still receiving this $2 a day additional? It is like some other things we sometimes come across in this parliament. For doing something people receive money which they may be entitled to when one considers the over-all picture, but are not entitled to when the specific item is considered. Perhaps the pay of these officers who are receiving this $2 flying pay should be raised.

Mr. POWER: These officers are on what is called the general list. This list was revised some years ago, I am not certain just how long ago, and a certain number of officers who were fliers in every sense of the word and most of whom were performing duties connected with active flying although they might not actually pilot planes, were retained on the list even in peace time. Now that their duties call for more flying than they did before, it would be very difficult, in effect, to reduce their pay. They are general list officers, and they get that additional pay compared with the man who is on the non-flying list. During war time they have greater responsibilities and more work to do, and to reduce their pay would be contrary to what we have been doing generally.

Mr. JACKMAN: Some difficulty would arise where you have a man who was in the air force in the last war and who would not be on the general list. I know of one wing commander who has the Military Cross —he may have been in the infantry—and who is in charge of a station. He does not receive this pay, while another man with the same rank at another station does. There does not seem to be much reason to have this difference in pay to two men with the same rank and doing the same job. If this is a hangover from olden days, perhaps it could be rectified by an increase in pay to the one officer. No matter how large your air force may be in peace time, it will not be great enough to carry on during a war, and you will have to bring in additional men who may or may not be entitled to flying pay. I suppose this flying pay is paid simply because a man has his wings?

Mr. POWER: Flying pay is another thing. These are general list officers. The other is casual pay which an officer gets who is not a general list officer.

Mr. JACKMAN: Are you on the general list if you have your wings?

Mr. POWER: I could not say. At one time either the treasury board or the minister drastically reduced the number of men on the general list. Whether the number has been increased since the war started, I could not say. I shall have to look into it and I will let my hon. friend know.

Mr. FRASER (Peterborough West): Are the men stationed in Alaska or in the United States paid in United States funds?

Mr. POWER: I do not know, but I shall find out. We have under consideration now the granting of an increased rate of pay to men in Alaska, but I could not say whether they are paid in United States funds.

Mr. FRASER (Peterborough West): There are some men stationed in the United States.

Mr. POWER: There is some provision about those who are in the United States.

Mr. FRASER (Peterborough West): I know the men at the legation in Washington are paid in United States funds, and then deductions are made.

Progress reported.

At six o'clock the house adjourned, without question put, pursuant to standing order.

Thursday, June 3, 1943

The house met at three o'clock.

STANDING ORDERS

Third report of standing committee on standing orders—Mr. Golding.

PRIVILEGE—HON. MR. HANSON

PRESS REPORT OF VISIT OF MEMBERS OF PARLIAMENT TO BUFFALO

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, on a question of privilege, in the Montreal *Standard* of May 29 there appeared under an Ottawa dateline a news item which indicated among other things that fifty members of this House of Commons were derelict in their duty in leaving this house on Friday last, and in fact we were indicted as having played hookey. On behalf of all my colleagues who made that journey, as well as on my own behalf, I desire to repudiate the implications of this article. May I be permitted to say, sir, that those of us who journeyed to Buffalo last week, where we inspected the great plants of the Curtiss-Wright corporation and other companies, went not as schoolboys escaping from school. We went on an educational tour to see and to learn at first hand of the splendid progress being made in aeroplane production by our great and friendly neighbour, to learn of the great contribution being made to the cause of the united nations, both by industrial giants and by the working men and women of the United States; and over and above all that we went as ambassadors of good-will from Canada to the United States. It was my privilege, along with my friend the hon. Minister of National Revenue (Mr. Gibson) and my friend the hon. member for Vancouver Burrard (Mr. McGeer), to pay tribute and give full expression to that attitude of heart and mind on the part of the people of Canada to the people of the United States. I am firmly of the opinion that it would be of great advantage to the common cause if there were more of these journeys with the same intention. Finally, instead of chastising the hon. member for Hamilton East (Mr. Ross), by whose kind invitation we were enabled to make that journey, I think we should commend him and on behalf of my colleagues who are so much indebted to him for his kindness, I here and now offer him our generous and sincere thanks and commendation.

72537—208½

DOCTOR EDUARD BENES

ADDRESS TO MEMBERS OF SENATE AND HOUSE OF COMMONS TO BE PRINTED IN OFFICIAL REPORT OF DEBATES

On the order for motions:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, hon. members of this house and such members of the senate as were in the city to-day had the privilege of listening to a memorable address at noon by His Excellency Doctor Eduard Benes, President of the Czechoslovak republic. It will, I am sure, be desired by hon. members generally that the address delivered by Doctor Benes should be given a permanent place in the records of this parliament. I would therefore move, seconded by Mr. Crerar:

That the speech of His Excellency Eduard Benes, President of the Czechoslovak Republic, delivered this day before the members of the Senate and the House of Commons, be printed as an appendix to the Official Report of the Debates of the House of Commons, and form part of the permanent records of this house.

Mr. E. G. HANSELL (Macleod): May I ask the Prime Minister if under this motion his introduction of His Excellency as well as the speeches given by the Speaker of the Senate and the Speaker of the House of Commons are also to be recorded? I am in favour of that. I do not understand French and was unable to grasp the speech of the Speaker of the Senate, but judging from the applause I think it should be recorded. May I at this time express my personal thanks to you, Your Honour, for your inspiring message this morning. I am sure that if the Prime Minister would include in his motion all that was said this morning, it would be acceptable to this house.

Mr. MACKENZIE KING: I might say that in the motion as I presented it I did not include the "et ceteras", either before or after, but I do thank my hon. friend for his suggestion, and if the house approves it, I shall regard its approval as a compliment, as I am sure also, will Their Honours the Speakers.

Mr. COLDWELL: Was a verbatim record made of what was said?

Mr. MACKENZIE KING: Yes.

Motion agreed to.

FALCONBRIDGE NICKEL COMPANY

REFERENCES BY PRESIDENT OF THE COMPANY TO NORWAY REFINERY

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member for Rosetown-Biggar (Mr. Coldwell) has drawn the attention of hon. members of this house to the following statement made at the annual general meeting on April 21 of the Falconbridge Nickel Mines Limited by the president of the company:

> Incidentally, you will be glad to learn—as I was—that through indirect channels it is reported that your Norway refinery is safe so far, and is being maintained. It is in operation by your Norwegian staff, under German control, on the same Norwegian nickel-copper ore production that we formerly handled on toll basis.

I regret to have to confirm that the statement to which attention has been drawn was in fact made by the president of Falconbridge Nickel Mines Limited, and is printed in the report of the annual meeting of the company. It is a deplorable statement, from which the inference could be drawn—I am sure unfairly—that the property interests of the company were being put above the prosecution of the war. We know that the German government is very short of nickel, and it cannot be doubted that it would be to the advantage of the united nations if the Falconbridge refinery in Norway were to be rendered wholly inoperative.

On behalf of the government, I should like to repeat the regret that such a thoughtless and ill-considered statement should have been made by the responsible head of an important Canadian mining company, which in its own operations in Canada is making a very useful contribution to the united war effort.

Mr. COLDWELL: I would ask the Prime Minister what the government propose to do about it, because this statement is much more subversive than some statements for which men have been incarcerated, or interned. I should like to know what the government proposes to do, not what it says.

Mr. MACKENZIE KING: Well, I may say that the statement which I have just made will, I believe, be more effective in its results than any other measure which the government could possibly take.

MAN-POWER

MOTION FOR ADJOURNMENT UNDER STANDING ORDER 31

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, I ask for leave to move for the adjournment of the house to discuss a definite matter of urgent public importance, namely, that the government should take immediate steps to provide a solution of the agricultural man-power shortage.

Mr. SPEAKER: I received a copy of this motion before I came to the house. The hon. member for Témiscouata moves, seconded by the hon. member for Chambly-Rouville (Mr. Dupuis):

That, whereas agriculture is an essential industry and whereas seeding operations are an essential part of such an industry;

Whereas, according to the telegraphic crop report published June 1, 1943, 3 p.m., by authority of the Hon. Minister of Trade and Commerce, "spring seeding operations have been delayed in almost all sections of Canada but particularly in the five eastern provinces and British Columbia. In the maritimes the weather has been cool and backward with planting operations considerably delayed. Much seeding is still to be done. . . . In Prince Edward Island the season is backward. . . . In Nova Scotia not more than 10 to 20 per cent of the land is at present seeded. . . . In New Brunswick spring seeding operations are delayed, with probably 75 per cent now completed. . . . In Quebec farm work has been delayed by the backward spring and only a small percentage of spring seeding has been completed. The late, wet spring has hampered seeding operations in all sections of Ontario except the northern areas. . . . Spring has been exceptionally late in most areas of Quebec with heavy rains delaying seeding operations. Much of the heavy low lying lands are still unworkable. . . . In some districts no seeding has been attempted. . . . The late, wet spring has hampered seeding operations in all sections of Ontario except the northern district. In some sections no seeding has been attempted. . . .

Whereas the delays in seeding operations is partly due to weather conditions, it is mainly due to the shortage of experienced and physically fit agricultural man-power;

Whereas several experienced and physically fit farmers are actually in training camps of the army and of the Royal Canadian Air Force, and a number of others have been called for their military training;

Whereas, numerous applications made by farmers, farmers' sons and farm helps for leave have been turned down in too large a number by their commanding officers, and numerous requests for the postponement of the military training of the farmers, the farmers' sons and farm helps have been turned down in too large a number by the mobilization boards;

Whereas, unless those men are returned at once to the land for the seeding and other agricultural operations, the army and the civilian population as well are exposed to suffer from famine next fall, and it will be impossible for this country to supply our army overseas and our allied nations with necessary food;

This house shall be adjourned to discuss a definite matter of urgent public importance, the government should take immediate steps to provide for a solution of the agricultural man-power shortage.

The form of the motion is rather unusual; it is not the common practice to present an argument on a request for the adjournment of the house, but I have come to the conclusion that this is a matter the house might wish to discuss. Therefore, unless objection is taken, the hon. member has leave to proceed.

Mr. MACKENZIE KING: I do not wish to take any exception to the house discussing the important question of man-power, particularly in relation to agriculture; but the house already has devoted a great deal of time to that very subject, and a day or two ago it was understood that after we completed the statements of the ministers of defence we might take as the next order of business the question of man-power, even before going into matters pertaining to the Department of Munitions and Supply. I do not think it will be very long before we reach the discussion of man-power, and the question of agricultural labour and the measures necessary to meet the needs of agriculture inevitably will come up as soon as that discussion is entered upon.

The hon. member who has just offered this motion has devoted a good deal of time to discussing various matters in the house, including the subject now proposed for special discussion. He has not been deprived of the opportunity of speaking whenever he so desired, but I do think, however, that hon. members generally would prefer to go on with the business which is before the house at the moment, having to do with the appropriation necessary for purposes of the war, including the very matter to which my hon. friend refers in his motion, and not to have that discussion interrupted at this time and the time of the house if not wasted at least not turned to the greatest possible advantage as should be the case with all discussions at this stage of the session. I believe if the consensus of hon. members were taken before this motion is put, as to those who favour an immediate cessation of a consideration of the business set out for to-day in order to discuss this particular motion, it would be found that the house is overwhelmingly in favour of proceeding with its regular business.

Mr. GRAYDON: Do I take it from the remarks of my right hon. friend that he is going to accept the suggestion I made across the floor of the house the other day, that immediately the war appropriation estimates of the Minister of National Defence for Naval Services are concluded the Minister of Labour should go on with his estimates?

Mr. MACKENZIE KING: I have not had a chance to discuss the matter with my colleagues the Minister of Munitions and Supply and the Minister of Labour; unfortunately one or the other of us has been absent from the country during the last day or two, since the subject was mentioned by my hon. friend. However, I think he may take it for granted that in so far as it may give promise of expediting the business of the house, we will seek to meet the wishes of the opposition in the matter.

Mr. COLDWELL: I was unaware that any agreement had been reached with regard to the order in which the departments would be taken up.

Mr. MACKENZIE KING: It was discussed on the floor of the house; there was no definite agreement.

Mr. COLDWELL: I was surprised when the Prime Minister said the Department of Labour would be next, because it seems to me the logical order would be the Department of Munitions and Supply and then the Department of Labour. In any case, Mr. Speaker, I think the problem raised by the hon. member for Témiscouata is one which does affect a very large part of the country. Recently I was out west for a day or so, and I was told of the acute shortage of men on the prairies and of the difficulty of obtaining the necesary help even from men recently called for their basic training, who are the men required on the farms at this time in order to complete the seeding. I think there is some merit in the suggestion that this is a matter of urgent public importance.

Mr. BLACKMORE: I believe this matter is of sufficiently urgent public importance to justify our taking at least a short time to discuss it. We may go on for several days with each of the remaining departments, just as we did with the Department of National Defence, and by the time that discussion is concluded it will be too late to take care of the problem with which this motion is designed to deal. Therefore I would favour spending such time on this matter as the house sees fit to devote to it.

Mr. SPEAKER: Standing order 31 deals with a motion such as this, and subsection (3) reads:

He then hands a written statement of the matter proposed to be discussed to the Speaker, who, if he thinks it in order and of urgent

public importance, reads it out and asks whether the member has the leave of the house. If objection is taken, the Speaker requests those members who support the motion to rise in their places and if more than twenty members rise accordingly, the Speaker calls upon the member who has asked for leave.

I take it that objection has been raised to the motion now before the house; therefore I would ask hon. members who support the motion of the hon. member to rise in their places.

And more than twenty members having risen:

Mr. SPEAKER: A sufficient number having risen, the hon. member has leave to proceed.

Mr. POULIOT: Mr. Speaker, I shall not take much of the time of the house, but this matter is so important that it deserves immediate consideration, particularly in view of the telegraphic report of June 1 issued by the authority of the Minister of Trade and Commerce (Mr. MacKinnon). Most hon. members have read or heard of this report, which indicates that this is not a matter that can wait. This question must be settled at once, in view of the importance of agriculture in this country.

Let me say, sir, that I am not speaking with any political or partisan bias. I think it is my duty as a member of parliament to bring to the attention of the government the plight of many farmers who are too old to continue to look after their farms and who cannot get any help at all. I have a mass of files here which indicate that throughout the country farmers are suffering from an acute shortage of manpower. In British Columbia as well as in Ontario, Quebec and the maritime provinces, owing to weather conditions seeding operations are a month late; according to the official publication I have mentioned, in Nova Scotia only one-tenth of the seeding had been completed by June 1. I was in my own constituency not long ago and I noticed that the farmers are far behind in their work as compared with other years. What I want, and it is the desire of farmers I have met from all parts of the country, is that their case should be seriously considered now by those in charge of the Department of Labour and the Department of National Defence. It will be a very wise thing for the Minister of National Defence (Mr. Ralston) and the Minister of National Defence for Air (Mr. Power) to give definite instructions to the end that all young men of military age who are at present in training camps, who have had experience in agriculture and whose presence is needed on the farms may be given sufficient leave to enable them to help their fathers or those for whom they work in operations which are essential not only to the welfare of the country, including both military and civilian populations, but also to our soldiers overseas and the hungry people of the allied nations.

It is time to see to this matter, and we are not disturbing the work of the house by directing its attention to such an important problem. We shall not harvest what has been sown if the seed is not placed in time. The harvest will be nil. We cannot take it for granted that the weather will be just as auspicious this year as it was last. We know nothing about the weather we shall have this summer and fall. But we do know that the spring weather has been very bad, and for that reason nothing which can promote farming in this country should be neglected.

It is also important that definite instructions be given by the Minister of Labour to national selective service and the mobilization board that they shall not call at this time men who belong to the farm and the land. A certain number of men in the army are farmers, farmers' sons and farm help. Their presence is badly needed now on the land.

There are some who hold the view that some farmers have not complied with the regulations, and that therefore they should go to their commanding officers to ask for the granting of leave. What happens? I remember well the fight I have made for the farmers, right from the beginning. I remember, too, discussing the matter thoroughly with the late Mr. Lapointe, with the present Minister of National War Services (Mr. LaFleche), with certain officials of the Department of Labour and others of the Department of National War Services. I sent to all the ministers, so that they might have them translated, all the representations made on behalf of the farmers, articles which were published in a weekly appearing in my county. That publication informed them of the conditions of farmers in eastern Canada.

I remember well that the regulations of the Department of National War Services first described agriculture as a seasonal occupation. I had a long fight before I succeeded in having that occupation described not only as seasonal but also as essential. The grain growers in the west may put gasoline in their tractors in the spring and take it out in the fall. But the work of the eastern farmer and the farmer in British Columbia is entirely different. They must do a whole year's work, and each day must work from dawn to dusk. Those representations had to be made.

I remember that after the order in council was approved a publication was issued by the Department of National War Services giving some explanation with regard to the work of the farmer. That publication was not complete; it was an aftermath. It seemed to justify the assertion that the farmer's occupation is seasonal, whereas it is not. It is an essential occupation lasting the whole year.

After that we had to fight with the boards. Some progress has been made; but now we have reached the point where we want put into force or have fulfilled the solemn promise made in March of last year by the Prime Minister (Mr. Mackenzie King) that the farmers would be exempted from military service. A directive was issued the day after by the Minister of Labour; but in my seat in the house I heard the Prime Minister make that statement, and on the following day I saw in all the newspapers the statement: "Farmers Exempted from Service".

We shall not be afraid to come to the defence of the farmer. In peace time he is praised; in war time he deserves equal praise, because he ranks with the soldiers in the services in the importance of the task he performs for the country. I want a definite policy with regard to farmers. I do not want to have them deceived by fool talk; let them be told the truth. They should be told what the government has decided with respect to them.

Only a few days ago we heard an imperialist as noted as the hon. member for Parkdale (Mr. Bruce) speak about the stress placed on agriculture. He made that statement because he could not get enough man-power to help him on his farm, and had to sell his stock. He is not alone, because there are many farmers who either cannot work at all on account of physical disabilities, or cannot get help for their farming operations. This is a serious problem, and it is one with which the country is now confronted.

What happens now? The young man is called by the registrar to pass his medical examination. These examinations were not always satisfactory, but I shall not speak about them to-day. If the mobilization board decide that the reasons given by a man for staying on the farm are not sufficient, he is compelled to continue his training. These farmers have not received the attention they should from the board. If they stay a little longer on their farms for seeding operations or to do any other urgent work that may be needed to be done, they are told that the mobilization board has nothing to do with them and that they must return to their regiments and submit a request for leave to the commanding officer. What happens? In some cases it is granted, but in other cases it is turned down. When it is granted, what happens? It is sent to Ottawa to the adjutant-general's branch. According to a statement made by the Minister of National Defence in answer to a question asked by myself, there are no agricultural experts in the Department of National Defence. Such experts are necessary to decide the cases of farmers, but the view is held there that all young men of military age who are physically fit should be in the army. Apparently they consider that farming should be carried on by young men who are physically unfit or who have been rejected by the army.

That is one reason why we have so much difficulty; the army wants all the men who are physically fit. No one will deny that agriculture is an essential industry, but this would seem to be denied by the answers given in a large number of particular cases. When the theory is admitted by all, why is it not applied to all deserving and worthy cases? What do these men in the adjutant-general's branch of the Department of National Defence know about the work that the farmers in my constituency have to perform? They know nothing. If at least they were deciding these cases according to common sense, even though they had no particular experience in farming, I would say that they were showing some common sense, but they show none. I could quote innumerable cases where farmers have been fooled or foiled, where they have not been given justice. And yet we are told to produce more.

Many farmers in my community are interested in dairy farming, in hog raising, in stock and sheep raising and in other farming activities. Not all of them have tractors; some have fine horses and they must plough with a horse or two. Another thing I have noticed, a thing with which I think the majority of members will agree, is that most farmers who have reached the age of fifty years suffer from rheumatism. From boyhood they have had to work hard, and when they reach that age they are no longer able to do the work of the farm and must rely on their sons or on younger men who are physically fit. Those who drafted the regulations were not fair to the farmer.

The first Minister of National War Services was the present Minister of Agriculture (Mr. Gardiner). That was a bad arrangement, because the duty of a minister of agriculture is not to send boys to the training camps; it is to keep them on the farm so that they will be able to produce. But it was with the connivance of the Department of Agriculture that these young men were taken from their homes

and sent to the camps. Agriculture suffers now. Why? It suffers because of the injustice done to farmers by these mobilization boards. These farmers were told that they would have only one or two postponements at the most, after which they would have to join their regiments. Now it is not possible to get them out of the army to do the needed work on the farm.

We read in the public press and in magazines similar to the one published by the Canadian Chamber of Commerce about the manpower shortage on the farm. Everybody recognizes that there is such a shortage. It is the topic of conversation on trains, on street-cars and on our streets. People are wondering whether we shall have enough to eat next winter, whether our harvest will be good or not. We are then faced with the practical question of whether Joe or Tom is to go to the camp or is to stay on the farm. Some people contend that it is his duty to go to the camp, that if he does not do so he is not a good citizen and should not be regarded as such by the community at large. That is all wrong.

We must be logical about this thing. It is not pleasant to have to move for the adjournment of the house at this time when the session is concluding its work. However, I contend that with few exceptions the officials in charge—I say that in the broadest sense—have not been fair to the farmers. I know of one case where a young man from Témiscouata was in camp in British Columbia and he was given six weeks' leave to come home for the seeding season. Is that reasonable? I know of another case where the mobilization board in Quebec decided to grant leave to a young man who was in a regiment at Valcartier. The colonel of the regiment decided to pay no attention to the order of the board and brought the young man to British Columbia with the other soldiers of the regiment. I brought the matter to the attention of the Department of National Defence, and the result was that the commanding officer was obliged to pay the travelling expenses of that young man from British Columbia back home to his farm in Témiscouata county. That is the way to deal with these cases. We have to inspire in the commanding officer a profound respect for what is done within the regulations, but we have also to inspire in him another feeling, namely the equality of the farmer with every other citizen in this land. The farmer is no less an individual than is the first citizen of this country, the Prime Minister of Canada, or the Leader of the Opposition, or any big man that we have in this house. His usefulness is the same, and he must be ranked the same, not only in theory but also in practice, in any decisions that have to be rendered.

A friend of mine wrote me yesterday. He has a big orchard and in past years he had help. The young man who helped him is now in a training camp in the maritime provinces. The farmer wanted him back to help with the work in the orchard and on his farm, and he was told by the commanding officer the procedure to follow. He acted accordingly and wrote to the commanding officer but received no reply.

Do you remember, sir, when I asked the Minister of National Defence a long time ago to produce a copy of the king's regulations and orders, which are the law governing all those in the army? At first I was denied the privilege of getting a copy. I had to persist for a long time before getting a copy in English and in French with the amendments. There are two kinds of regulations, those governing the mobilization boards under the Department of Labour—that was sent to us—but did we get the regulations of the Department of National Defence passed under the National Resources Mobilization Act? I had a couple of copies, the first one and the second, but I have never had all the amendments, and we need them. We do not want to infringe on the law. We want to abide by the law, but we want the law to be interpreted liberally and according to the speeches that have been made in this house by such a large number of members since the beginning of this session. That is all we need; we need nothing else. What is platonic love for the farmer? The farmer does not care for platonic love from the members of parliament. The farmer does not care for love; the farmer needs help, assistance in fulfilling a national duty. That is how I consider the matter, sir, and that is the way I think all members should consider it. If at times, to my great sorrow, I have to complain of injustices that have been done to the farmers, I do so because I have a duty to perform. I have seen these farmers at work, producing the crops that come from their farms, the products that are so badly needed at this time when such a large number of countries are paralysed. I see the farmers at work and I respect them, and I am always ready to fight for them.

I thank my hon. friend the member for Chambly-Rouville (Mr. Dupuis) for seconding this motion. I also thank from the bottom of my heart all my hon. colleagues who have had the courage to rise in defence of the farmer this afternoon. I will tell them all that their action this afternoon will never be

forgotten and that when they go back home they will be thanked by that class of noble and humble citizens who are the farmers of Canada.

Mr. VINCENT DUPUIS (Chambly-Rouville): Mr. Speaker, I rise to support this motion because I consider this a matter of urgent public importance—very urgent indeed. I do not profess to be one of only a few members of this house to realize the difficulties in which the farmers of this country now find themselves, because I know very well that every member who represents a rural district is conversant with the situation in the rural areas. It is circumstances, the actual situation that compels me to rise and support this motion. We cannot wait another day. Because of weather conditions seeding time is already one month late. Added to that there is a shortage of help on the farms, a shortage which exists in every rural district, and particularly in areas of from fifty to a hundred miles square around large centres like Montreal. The farmers are acutely short of help, so much so that I have heard from many farmer organizations in my own district that if the present situation continues many farmers will be compelled not merely to reduce their production but to cease production altogether. It is important, I repeat, that we should do our utmost to see that the farmer be not bound by what he at the present time expects to be bound. The reasons are so clear, it seems to me, why we should act, and that immediately, whatever may be the means whereby we shall bring immediate help to the farmer.

So far as I am concerned I speak for myself. I do not want to be held responsible to my own conscience if next winter we are faced with famine. History teaches that when the great causes of war actually result in war, generally war has two nefarious companions, famine and pestilence. Now we have war. It is the greatest scourge that humanity suffers from. But are we to allow famine to come not only to our doors, not only to the doors of civilians, but to the ranks of the armed forces and those of our allies? I do not think we should allow such a thing to happen if we can at all prevent it, and that is the only reason why I am rising in my place to-day and submitting my humble opinion, asking the government and this House of Commons, which is composed of men of conscience who are, like myself, anxious to win the war, and the sooner the better, to unite, forgetting for the moment our party allegiances and our differences in race and religion, as well as the classes or localities we represent. Let us all forget that for the moment and unite in considering the position of this very important class in our society, the farming community, and give them the help they so badly need at the moment. And let us give that help immediately.

If it is necessary to get farmers' sons out of the army, let us get them out, because it is quite clear that there are three conditions that are requisite to the winning of the war. First, we must have men under arms in sufficient numbers to defeat the enemy; second, these men must be supplied with arms and ammunition; and third, these men must be fed and fed properly. That is nothing new. Napoleon, who was a very great strategist, a great general, declared that an army marches upon its stomach. That is true.

I will not delay the house. I know that we have great problems to solve, and the one now under discussion is one of the most important. We have also other matters of importance to consider, and I should like the house to unite at once in asking the government or those in authority to give to the farmers the help they need so that they will be able to produce more than ever to help our soldiers and the soldiers of our allies to win the war.

Mr. T. L. CHURCH (Broadview): While I have a great deal of sympathy with the farmers, I must point out that prior to two weeks ago, when coal was added, agriculture was the only national selective industry in Canada. There have been nine or ten debates in the past month or so on this question. On May 21 the Minister of Agriculture gave an elaborate description of the working of this new last-minute scheme of national selective service in Canada.

With all due respect I contend that the government have made a fatal mistake, as is only too apparent now that we are nearing the end of the fourth year of the war. In the first two years of the war and for three years before the war, I moved here for a national selective compulsory register to show the number of people available for every industry. We are told now that there are only 4,357 men needed on the farms, but that must be an impossible figure because there are 100,000 farms in Saskatchewan alone.

There are other urgent matters of great public importance not yet discussed than the question we are now considering, which has been up many times, and one of these is coal. We may be all frozen to death next winter, and nothing is being done about it. Housing is another important matter, and neither have had five minutes' discussion this session. No one can get any information in regard to the supply of fuel or the question

of housing. The people are tired of all this and the blame for the whole situation to-day must rest on the government.

There has been a great deal of suffering on the farms from lack of labour. I have seen a good many farming communities in the district around Toronto, and I had a good deal to do with the farmers of Ontario in connection with light, heat, power and transportation problems. Ontario has more production a year in agriculture than the three prairies put together and the farmers of this province are not complaining as much as those from some other places. Probably they are too silent in Ontario but the fact is that the main reason for the scarcity of labour to-day is the war. Lack of labour for agriculture is a world-wide condition, and if I had had my way I would have left agriculture where it belongs under a responsible minister of agriculture instead of handing it over to Donald Gordon and a number of controls and sub-controls. Some of these people were never on a farm in their lives and they are in control and deal also with selective service.

I have a great deal of sympathy also with the Minister of Labour. He has assumed what might be called the white man's burden in the many changes of selective service during the past year or so, and he cannot succeed where others have failed. We can blame ourselves in this house for not having done as the United States did. They instituted a national compulsory registration; they have a national register. We had only one national selective industry in Canada, agriculture, until two weeks ago, and we have allowed the sons and daughters of farmers to migrate to the cities and towns and earn large sums of money. They have been getting wages in munitions plants of $6, $7, $8 and $9 a day. The other day I saw a schedule of the rates they are making, and they are undoubtedly attractive; but I can tell you that whenever a young man leaves the farm to go to the city there is a vacancy on the farm; and with present conditions on the farms, a good many young people do not want to stay there.

From the public schools and high schools, from the separate schools and secondary schools of the country, there will be migration from the urban centres to the rural districts for the next three or four months. I know one collegiate institute from which several hundred students will start out presently. General Winter has also been to blame for a great deal of the farm trouble. We have had a very hard winter and a very late spring, and have suffered on our farms from lack of transportation and many war ills, and there has been a very late season for agriculture, all of which has contributed to the present unfortunate state of affairs. The army minister gave us a statement with regard to these applications for postponement. Look over the debates reported in *Hansard* since the session began and you will find that almost every week or almost every day someone has raised the question. I sympathize with the members from the province of Quebec; no doubt there is a great deal of lack of farm labour in parts of that province and it is difficult to get labour there, but their situation is no different from that in any other province of confederation.

Mr. DUPUIS: We are not speaking only for the province of Quebec.

Mr. CHURCH: The war is primary, and men for it. Do the people of Quebec want to wait until the enemy comes up the St. Lawrence and bombs the citadel? That would be much worse than taking men from the forces because of a scarcity of labour on the farms. Men are needed more for the armed services, and there is no use in trying to deny it. War is war and men are first needed for the armed services. But the government has changed the whole farm policy to ration labour and its past programme in Canada. It started off with a voluntary system for the war and farms which was followed by a plebiscite to change it, and the government did not carry that out. After three years they applied compulsion for home defence and for farms.

Mr. SPEAKER: Order. The question before the house involved in the motion with respect to agricultural man-power shortage does not afford the hon. member room for the remarks he is making. I do not think he is quite within the subject under discussion in dealing with plebiscites and matters of the kind.

Mr. CHURCH: You are right, Mr. Speaker. I was merely introducing that as a comparison, to show that the war is paramount and primary, and that farm labour is secondary. If you look over the figures given by the Minister of National Defence (Army) you will find that compulsion was established in all Canada for home defence but that it has been considerably relaxed in the interests of agriculture. The minister reported to the house on May 21, 24 and 25 last on the number of applications which had been made to the various boards for exemptions and postponements to enable applicants to go back on the farms, and while I have not the figures before me, my recollection is that about eighty per cent or over of the applications were granted.

Everything possible is being done by the city people to provide labour for the farms. There are two matters of urgent importance upon which I should like to move for the adjournment of the house. I have already named them as of urgent public importance —the fuel supply, and housing. But I thought it would be better not to do so, because an opportunity of discussing these matters may come later, when we have finished with the appropriation bill. It seems to me that if there is any class of the community whose case has been largely represented in the discussions, it is that represented by the labour problem on the farms. I have a great deal of sympathy for them and for their representatives; I know something of the difficulties which the war has caused them. But from what I know of the soldiers who have come from the farms of Ontario I am convinced that they do not want to remain at home and serve on the farms. The farmers of Ontario are true descendants of the patriots of 1812, and worthy of them. When Canada was attacked in the days of General Brock, the men of the Ontario farms went with Brock when he called to the York Rangers "Push on, York Volunteers", and served at Queenston Heights. They wanted first to defend their country. The first duty of the citizen is to defend his country and face his country's enemies. I cannot see that anything is to be gained by adopting this motion, because the question will be further discussed on the air and navy estimates, and there will be other opportunities on agriculture and wheat estimates, of dealing with the man-power situation.

Mr. MAURICE LALONDE (Labelle): In rising to speak on this motion I do not intend to offer destructive criticism of the government, but rather to give constructive criticism, concerning the requests made by recruits for postponement of their militia training or for leave. I heartily support the hon. member for Témiscouata (Mr. Pouliot) because I have had many complaints with regard to requests made by men who have been brought into the army under the mobilization act, and particularly by farmers' sons. Once in the army they have found that they had to follow difficult proceedings and build up a complicated record to obtain the leave which was so much needed, to help either their fathers or the men who were employing them.

I shall not take the time of the house longer than is necessary, but I have in my hand a letter which I received from the commanding officer of the camp at Joliette, in the province of Quebec, regarding the request made by Private Roland Clavel. This young man voluntarily reported six or seven months ago, in spite of the fact that he was a bona fide farmer's helper, because he believed at that time that leave would be given him later if it should be necessary for him to go back on his father's farm. At the beginning of November last, Private Roland Clavel came to my office, and together we filled up the necessary forms. We filed the three sworn letters required to show that his presence on the farm was absolutely necessary; otherwise it would be left uncultivated, because he was the only son capable of doing useful work on the farm. The demand was put before his commanding officer, who knows absolutely nothing of agricultural problems. It was submitted also to another board, the name of which I do not know; and from week to week, from month to month, Private Roland Clavel stayed in the army, in spite of the fact that all the work of the farm now falls upon his sick father, his mother, and his small sister, thirteen years old. There are twenty-four head of cattle to feed and more than a hundred and fifty acres of land to cultivate.

I cannot let this motion pass without saying a word, because I personally know that the case I have cited is similar to very many others in which I have been interested. Perhaps I am speaking on my own behalf only, but I know that many hon. members have had numbers of cases of this kind. I have before me about forty of them. Nothing is done, and these farmers' sons remain in the army while their parents are working hard to keep the farms under cultivation.

Should the proceedings not be modified in some way so as to give the commanding officer more details about the cases which are brought before him? I will say that the commanding officers in the camps are doing their best to accommodate everybody and to scrutinize every request which is put before them. I do not question their ability or their good faith. But one cannot stand on his feet and proclaim that every commanding officer knows something about agriculture. I urge the government, and more particularly the Minister of National Defence (Army) to set up some kind of easier proceedings so that the private who is in the army will not be obliged to know the law of the land better than the lawyers themselves. These fellows who come from the northern part of the province which I represent in this house do not know anything about these sworn affidavits, letters, forms to be filled out, and so on. They just write to their commanding officers, and sometimes to their members, asking for details. I am ready to work for these

boys, as I have worked for more than twelve hundred others who put their cases before me so far as mobilization was concerned; but for God's sake give them a chance, and when a clear case comes before the commanding officer let the farmer go back to his farm for a few months at least.

While I am on my feet, Mr. Speaker, I should like to say a few words on another subject. If I am out of order I shall be glad to sit down, but it will not take much time. I refer to the postponement of service for those indirectly connected with agricultural problems, particularly those employed in farmers' cooperatives. It is too bad that some registrars do not know the difference between—

Mr. HANSON (York-Sunbury): Did I understand the hon. member to say that he had twelve hundred cases of men whom he tried to keep out of the army?

Mr. LALONDE: No. I am glad the hon. member asked me that question. I had in my office more than twelve hundred requests for postponement of military training under the mobilization act.

Mr. HANSON (York-Sunbury): And how many postponements did the hon. member succeed in getting?

Mr. LALONDE: I could not tell the hon. gentleman offhand; the greater number of them have been granted a postponement of their military training. I do not complain about the work of the registrars in Montreal. If they granted those postponements it was because the men were needed on the farms, because they were employed in the essential industry of agriculture. We are not asking for favours; we are just asking for the right to work in that place where we are most necessary and most useful.

As I was about to say, the employees of these farmers' cooperatives should be granted postponement also; perhaps the Minister of Agriculture (Mr. Gardiner) would be good enough to support me in this matter in discussing it with his colleagues in the cabinet. If you break down the management of the farmers' cooperatives then the whole agricultural system of the community is broken down. The same thing applies to those working in sawmills, those employed as blacksmiths, and so on. I shall not speak about them, since that would be out of order. In reply to the hon. member for Broadview (Mr. Church), however, I would say that this motion is not made only on behalf of the farmers of Quebec. It is only necessary to look at the newspapers and listen to the radio to realize that these complaints come from every part of Canada. The hon. member says war is war. We all understand that, perhaps better than he does; for we understand that war may not continue to be war if our soldiers are not fed.

Finally, Mr. Speaker, I realize that it is very hard to draw the dividing line between what is an essential industry and what is a non-essential industry. So far as agriculture is concerned, however, I think the point is so clear that it is impossible for any intelligent man in this country or anywhere in the world to say that in time of war agriculture should be considered as anything but the most essential war industry, and I hope it will continue to be so considered.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, I have no desire to detain the house unduly, but I wish to say a few words on this matter. Before the arrival of this much-delayed spring the agricultural situation in Canada in my opinion was not in the very best condition, even taking into consideration the fact that we are at war. I believed there were several things left undone that we might have done. Since the season has been so much delayed I have been greatly concerned lest we should be faced with a food shortage next year. As members of the house it is difficult for us to learn what emergency measures the government has been taking to meet the situation which has developed as a result of the late spring, but it seems to me that a good deal could be done. It would be possible, I should think, to organize special committees throughout the country—

Mr. MITCHELL: What does my hon. friend mean by a food shortage?

Mr. BLACKMORE: Well, I should think the words were so plain as to require no definition. If we run short of eggs I should think there would be a shortage of eggs; if we run short of potatoes, as we have run short of them in Ottawa, I would say that is a food shortage. Is that not the understanding of the minister?

Mr. MITCHELL: I am not being argumentative; I am just asking the question for my own information. If my hon. friend wants to feed China and other countries, there might be a food shortage, but I was wondering how much territory he would cover.

Mr. BLACKMORE: Well, it is quite true that if we do not produce enough food for ourselves we shall not be able to help feed our allies. I should hardly expect a responsible minister to raise that question, especially in view of the fact that within the last two or three days a statement was issued by the deputy minister of agriculture to the effect that

we would require all the food Canada could possibly produce. I should think that would cover the whole situation and give every member of the government cause for considerable anxiety. Let me proceed with what I was about to say.

Mr. MITCHELL: That would not be so in Canada only, would it? Of course we require all the food we can produce.

Mr. BLACKMORE: I could not catch what the minister said.

Mr. MITCHELL: I know the hon. member does not want to leave any false impression. Of course we require all the food we can produce, but I think the responsible official to whom the hon. gentleman referred had in mind shipments to Great Britain and other countries.

Mr. BLACKMORE: Of course; and I hope I did not convey any other idea. But undoubtedly we can be losing the war on the Chinese front if they are short of food, so that I should think I would be quite within the bounds of moderation in what I was saying. I believe probably a good deal could be done in the way of organizing special emergency committees in conjunction with the provinces and municipalities, to bring to their attention the fact that Canada is actually facing a grave emergency in the matter of food. I believe the situation is sufficiently serious to justify that action.

Mr. MITCHELL: I may tell my hon. friend that has been done already in his own province.

Mr. BLACKMORE: I am not saying it has not been done in my own province, but I have no assurance that it has been done in the minister's own province.

Mr. MITCHELL: It has been done in the minister's province, too.

Mr. BLACKMORE: And has it been done in other provinces?

Mr. MITCHELL: It has been done in every province in Canada.

Mr. BLACKMORE: That is very good. I said in the beginning that as private members we were not in a position to know all that had been done, but in case this had not been done I suggested that it should be done. I suppose the minister has no objection to that?

Mr. MITCHELL: Not at all.

Mr. BLACKMORE: Very good, that is the point I am making. It seems to me there should be some sort of committee, somewhere, to which a farmer could present his request for any special kind of assistance he might require. In some parts of the country farmers are at a loss to know where to get the help they need, and in many cases they are at a loss to know where to get machinery—trucks, tractors and ploughs. It seems to me a special committee should make up a list so as to assist any farmer in need of any particular item of machinery, to meet an emergency.

The matter which concerns me, in connection with potatoes, is that if the price of potato seed were so high that the farmer would not dare to buy seed and plant potatoes, it would be wise for the government to get possession of seed in Canada and reduce the price to such an extent that the farmer would be able to buy the seed required to plant his crop. I suggest that the government would do well to provide farmers across the country with a fairly good idea of the amount of potato planting which has already gone forward. A good deal of potato planting could be done in Alberta, I believe, if the farmers were assured that there have not been sufficient plantings throughout the rest of the dominion.

The idea in my mind is that since Ontario, Quebec and probably the eastern provinces may not be able to seed, on account of the lateness of the year, it would be well to organize the dominion as a dominion—which probably has been done. I repeat it would be well to organize the dominion as a dominion, so that Alberta, Saskatchewan and Manitoba, which are slightly more fortunate in their season this year, would be able to plant a few extra potatoes on land which otherwise would be summer-fallowed. I believe that is sufficient to illustrate the point I have in mind.

Mr. GARDINER: That was all done last December. The provinces were notified as to the acreages they would be expected to plant this year. That has been carried out fairly successfully, except where weather conditions have interfered. On the question of seed, I think what my hon. friend has in mind in most of his remarks is what is known as certified seed. I believe he will agree that there are very few farmers in Canada who plant certified seed potatoes. The price of certified seed has very little to do with the plantings on ordinary farms across Canada.

Mr. BLACKMORE: We will grant that, completely. All the minister has said, I grant is true. But the organization which was effected throughout Canada last December certainly would not in any way be adequate for the organization which should be—

Mr. GARDINER: The acreage required to be seeded in each province would be satisfactory, and the organizations spoken of are set up by and assisting each of the provincial governments.

Mr. BLACKMORE: What we are concerned about now is this: Has provision been made in Saskatchewan, Alberta, Manitoba and any other provinces which are able to plant extra potatoes, to make up for the potatoes which might not be planted in Ontario and Quebec?

Mr. GARDINER: They have been asked for a certain acreage.

Mr. BLACKMORE: Have they been asked to increase the acreage as the result of an emergency condition in Ontario and Quebec?

Mr. ROWE: The minister has said there is no emergency.

Mr. BLACKMORE: If they have not been so instructed, and if they have not planned to plant extra potatoes, there is grave danger of the development of a potato shortage in this country—even in Canada, where we can produce and have produced potatoes with the greatest of ease. I am fully aware of what the minister says, that most farmers do not plant certified seed. But the minister must know that in Ottawa at the present time it is next to impossible to buy a potato in many of the stores, no matter whether it is certified or uncertified. If anything like that condition exists in other principal centres throughout the dominion, unquestionably it will be difficult for farmers to get any kind of potatoes. And if they have to pay a high price, it will be to their disadvantage.

Mr. GARDINER: I would call attention to the fact that in the figures I placed on *Hansard* yesterday it was shown that there were five times as many potatoes in storage on May 1 in one province in Canada as there were a year ago. The fact that the potatoes are not in Ottawa does not necessarily mean that they were not produced.

Mr. HANSON (York-Sunbury): Is that statement correct, that there were five times as many potatoes in storage in New Brunswick?

Mr. BLACKMORE: I have the floor.

Mr. HANSON (York-Sunbury): But I should like to ask a question.

Mr. BLACKMORE: I have the floor.

Mr. HANSON (York-Sunbury): Will the hon. member allow me to ask a question?

Mr. BLACKMORE: The hon. gentleman can make a speech when I have finished.

Mr. HANSON (York-Sunbury): I am asking a question, arising out of the statement that there were five times as many potatoes in storage in one province as there were a year ago. That statement is challenged.

[Mr. Gardiner.]

Mr. GARDINER: I suppose every statement can be challenged. But they are the best figures available in Canada.

Mr. HANSON (York-Sunbury): Where are they from?

Mr. GARDINER: These are the official figures of the bureau of statistics, the only official figures we have.

Mr. HANSON (York-Sunbury): They are not correct.

Mr. BLACKMORE: The only thing we are concerned about is this, that we learn that in various parts of Canada there is a definite potato shortage, and that there are places in Canada where potatoes cannot be bought. If there is a shortage of potatoes, and if potatoes cannot be bought, it makes no difference at all to the ordinary individual how many thousands of tons of potatoes there are in storage.

Mr. GARDINER: How many you are going to produce makes a difference, if the farmer is to be able to sell his product at a price.

Mr. SPEAKER: The motion before the house is a motion for adjournment. The man-power shortage has nothing to do with the question of the present supply of potatoes in the country. If the hon. member is addressing himself to the question of an insufficient acreage of potatoes, or the suggestion that sufficient potatoes are not likely to be grown because of the shortage of man-power, he is in order.

Mr. BLACKMORE: I have been unceasingly interrupted by hon. members, and that has led me to discuss other than the matter I rose to discuss.

The possible potato shortage is in the minds of all hon. members, and I have no doubt was in the mind of the hon. member for Témiscouata when he made this motion. With Your Honour's permission I should like to say one further word about potatoes. It must be remembered that potatoes are perishable, and it matters not how many tons there are in storage to-day, those potatoes in all probability will not be available for use next fall. So that the minister's remarks are rather beside the point.

Mr. GARDINER: The shortage was last week, not next fall.

Mr. ROWE: Why are they still in storage, then?

Mr. BLACKMORE: The minister can have his say. Potatoes should be provided to farmers for seed, at prices they can afford.

A good deal could be done in this respect by a committee which could look into conditions which have arisen on account of the lateness of the season.

I have nothing further to say, except that the time spent in discussing this matter is well spent. Now is the time to discuss it, before a serious condition arises, and in my view the hon. member was wise in bringing it to the attention of the house.

Mr. WILFRID LaCROIX (Quebec-Montmorency) (Translation): Mr. Speaker, I am in complete accord with the motion of the hon. member for Témiscouata (Mr. Pouliot) and I am convinced, now as before, that there is no such thing as exemption from military service for farmers' sons. Although it may be referred to in speeches, it does not really exist. This is indicated by a letter I have received to-day and which, with your kind permission, I shall read to the house:

Quebec, June 1, 1943.

Mr. Wilfrid LaCroix, M.P.,
24 Carmel street,
Quebec.

Dear Mr. LaCroix,

I am one of your voters, Achille Légaré, of St. Joseph concession, Charlebourg. I am 41 years of age. The seeding season has arrived; my grain should be put in the ground immediately, otherwise, even in a few days, it will be too late. I have no help and cannot procure any.

I have been called by the militia and have reported at the camp. After explaining my situation, I asked to be released immediately so as to do my work.

Mr. MARTIN: How old is he?

Mr. LaCROIX (Quebec-Montmorency): I have just stated it.

Mr. MARTIN: I had forgotten.

Mr. LaCROIX (Quebec-Montmorency):

After explaining my situation, I asked to be released immediately so as to do my work. However, I am kept idle here; time flies and in a few days the seeding season will be over, and it will be too late. This will entail an important loss to me.

I beseech you to appeal to these gentlemen in my favour so they will release me and send me on my farm to do my work.

I rely on you to do this favour for me. Please accept my thanks and my respectful regards.

Achille Légaré.

It is an admitted fact that, at present, it is impossible to secure leaves for agricultural purposes. One has to apply for them to the officer commanding at Debert, Nova Scotia, Sussex, New Brunswick, or other places. The answer is ever the same: No.

We hear complaints about a decrease in production. How is production to increase when measures are taken that not only contribute to a scarcity of help but are of such a nature as to stop production?

I wish to give another example which is to the point and set out in detail. It was brought to my attention in a letter I received yesterday.

St. Laurent, Island of Orleans,
June 1, 1943.

Mr. W. LaCroix,
Member for Quebec-Montmorency.

Dear Sir,—

I am sending you this plea to acquaint you with the situation in which hog-breeders are now placed. There will be a catastrophe if that situation is not remedied. As you know, the government compel all breeders to sell their hogs to slaughter houses, which are paying $16.65 per hundredweight and the ceiling is $18, so that the breeders lose $1.35 per hundredweight. Moreover, if the hog is just one pound under 140 pounds the company deducts from $2 to $2.50 for each animal; if it weighs more than 170 pounds, there is another reduction of $2.50 to $3, which entails a loss of about $3.10 on each hog. Under the circumstances, the breeders are not even allowed to remove the hogs which are under or over weight.

It is now almost impossible to sell hogs. Those various factors have brought about a 75 per cent reduction in the production of hogs, and within a few months it will stop altogether and there will be a serious shortage of pork. The ceiling on lumber and wood was a terrible mistake, but it is nothing compared with the situation that will confront us as far as pork is concerned.

Please refer this letter to the department which has the responsibility of dealing with the matter.

Yours truly,

Albert Vaillancourt,
St. Laurent, Island of Orleans.

Mr. Speaker, it would seem that the government's policy has been contrived so as to prevent in the first place, the men who are essential to production from remaining on the land. In the second place, the stupid policy adopted by the various trade controllers, czars or dictators, whichever title may be given to them,—entails a curtailment in production. Now, it has always been said in this house that agricultural production is an essential part of our war activities. We must feed not only our army but also the forces of our allies.

Mr. Speaker, I sincerely regret that the government should have taken such a stand. At least the people should frankly be told what the situation is. When I hear about farmers being exempted, I am rather sceptical. True, some of them have been granted a

postponement, but the latter will have to be renewed at an early date or at some later time. And when it comes to renewing a postponement the matter becomes increasingly difficult. I wonder what the situation will be in one or two months. We are being told that conscription does not exist. Mr. Speaker, you know as well as I do that not one man between the ages of 19 and 45 can obtain work if he has not first enlisted for active service or has not been discharged from the army. In order to obtain his discharge, he must enlist for active service not in this country but overseas. It is just as if the men were being told: Enlist or starve. To-day, no man can work in any one of our war plants or obtain another position if he has not been discharged from the army. As I said, in order to obtain his discharge, he must enlist, undergo a medical examination and, before he undergoes this examination he must sign up for overseas service.

Mr. Speaker, similar conditions obtain in the case of farmers' sons. They are put to every kind of annoyance. As soon as they report they are told: You are farmers' sons, but now that you are here you shall not get out. That policy should be changed at once, if the war is to be efficiently prosecuted.

I do not wish to speak at any great length, but I may say in concluding that I heartily support the motion of the hon. member for Témiscouata. It is often said that he speaks volubly in this house. I wish to tell him that his services are quite helpful to the people of the province of Quebec, and that I congratulate him for having introduced this motion.

Mr. P. E. WRIGHT (Melfort): Mr. Speaker, it is not often that I find myself in agreement with the hon. member for Témiscouata (Mr. Pouliot), but on this occasion I believe he has called attention to a problem which will become quite serious in Canada during the next year. It seems to me that we have lulled ourselves into a position of false security on account of the climatic conditions which obtained last year and which permitted the production of one of the largest agricultural crops ever raised in Canada. This year we are likely to be faced with opposite conditions and may find ourselves in a very serious position.

The Department of Agriculture have issued a pamphlet called "Objectives for Canadian Agriculture in 1943" which sets out what the government expects from agriculture during the coming year. They ask for substantial increases in connection with almost every product of the farm. In oats, twelve per cent increase is asked for; barley, twelve per cent. Wheat is one commodity where a decreased production is asked for, a decrease of fourteen per cent. A small increase is asked in flaxseed, while in rye there is some decrease. An increase of twenty-eight per cent is asked for in hogs; cattle, nine per cent; sheep and lambs, twelve per cent; dairy products, an average of about twenty-five per cent; eggs and poultry, an increase of approximately twenty-five per cent; fruits and vegetables, an eleven per cent increase, while for other crops the increases asked for range from one per cent to as high as 189 per cent. Despite these increases that are being asked for, there is the fact, as stated just recently by the Minister of Agriculture (Mr. Gardiner), that approximately 350,000 men have been withdrawn from agriculture since the beginning of the war.

If we are to get these increases and do not have the favourable climatic conditions which prevailed last year, it will mean that we must have more help on our farms. It seems to me that the government have given a lot of lip-service to this question of increasing the supply of agricultural help. We understood that considerable leaves or postponements were to be granted for seeding operations. But what actually takes place is another matter. In many cases these leaves have been refused, and men in basic training are not granted leave at all. Apparently no effort was made to understand the necessities of the farm. I have had a number of cases drawn to my attention of men who were given leave to go on a farm where there was only a small acreage under cultivation, and other cases where men were refused leave whose relations really needed their help. These men could have contributed real service if leave had been granted.

Furthermore, no provision was made for the transportation of these men. If the government had been anxious that men from the army should go back to the farm they would have provided transportation for them. Many men serving on either coast had to pay transportation practically across the whole dominion on a month's leave or perhaps six weeks to help in seeding operations on the farm. If the government had been anxious to get help for the farmer they could have at least provided transportation for these men.

With respect to postponements, the Minister of National Defence (Mr. Ralston) stated the other day that 80 per cent of the requests for postponements for agricultural purposes had been granted, but these figures again are

misleading. Many postponements were granted for only a short time, sometimes a month, sometimes three months, and when an application was made for a further postponement it was refused. The granting of short postponements does not tend to help increase agricultural production.

Mr. MITCHELL: The short postponement has been changed since the matter has been under my jurisdiction. The shortest postponement granted for agriculture is six months.

Mr. HANSON (York-Sunbury): It "may" be for six months.

Mr. WRIGHT: I am glad if that has been done, but my information is not to that effect. A man must be able to plan his production one year ahead if he is to raise the products which are essential at this time—pork, dairy products, and other necessities. You cannot increase agricultural production by looking ahead for only three or six months, especially the things that are needed most. A short postponement is of little use if you want to increase production. You could provide that the men would be recalled from the farm only in case of national emergency.

Mr. MITCHELL: If my hon. friend would like me to answer that point now, you have to keep your finger on a man otherwise you have no check on him. We want to make sure that he stays on the farm.

Mr. WRIGHT: That could easily be done through national selective service. As it is now a man cannot leave the farm without obtaining permission from national selective service. That matter could easily be dealt with in that way. I know that these short postponements and refusal to grant further postponements have stopped farmers from increasing their production because they had no assurance that their help would be with them for any length of time.

The Minister of Labour (Mr. Mitchell) also stated that under his policy men were to be taken from non-essential industries and put on the farm, but I have not seen any evidence of that policy being carried out. So far as I have been able to observe, no men have been drafted to the farm from non-essential industry, and if the government is really anxious that help should be made available on the farms this policy should be put into effect immediately. Then men should be placed where they are really needed.

It seems to me that something more must be done in regard to supplying agricultural implements. Some of the farmers in western Canada have spoken to me about this matter. Just before I left home after the Easter recess I interviewed some firms who are in the agricultural implement business in my district and they told me that they did not have available any supply of repair parts for machinery needed in haying, and that parts would not be available until probably the first of June. So that we have the government on the one hand urging farmers to keep their implements in a good state of repair against the time when they will be needed, and on the other hand we find that the government is not making those supplies available to the farmer. I suggest that the government see to it that those repair parts be made available in sufficient quantities to enable the farmers to keep their implements in repair. In that way labour could be saved. Last year labour was sent from eastern Canada to western Canada to help harvest the crop. If more binders had been made available in the west much of that labour would not have been needed. If the government will see that this machinery is supplied to farmers, and at a price they can afford to pay, much labour can be saved.

I support the motion of the hon. member for Temiscouata, Mr. Speaker, because an army cannot fight unless it is fed, and if agricultural products are to be made available to our armed forces and to our people we must look ahead and not just deal with this matter from day to day.

Mr. ANTHONY HLYNKA (Vegreville): Mr. Speaker, I have just recently returned from a trip back home, and from my observation the farm labour shortage is indeed acute. Scores of farmers have been forced to quit farming and move into the city. How they will get along is another matter.

I have had to deal with a large number of applications for postponement. I find that they may be divided into two classes. There are those who apply for postponements before they have actually joined the armed forces, the other class is composed of those already in the service who ask for leaves. As regards the first class, those making applications for postponements, only a well qualified lawyer could help these young men to fill out properly the application forms. The ordinary farm boy could not possibly be expected to know all that is required in order that he may fill out the forms, the affidavits he needs, and things of that sort. I should like to see the government standardize the application forms. The draft boards right across the country would know whether a man should or should not be

granted a postponement. Of course, postponements should not be granted wholesale to all who ask for them. We could not possibly win the war in that way. At the same time, we should not force our farmers to fold up and sell out because that will not get us very far either. I suggest, therefore, that the Minister of Labour (Mr. Mitchell), who is charged with the responsibility for call-ups should draft a simple application form, giving instructions to every soldier who needs to apply for a postponement. The soldier would be able to fill out the application and, if the request seemed reasonable, the board would have less work in deciding each case individually. I am sure that many of these applications and affidavits, pages long, are never read by the boards. You cannot expect any board to read thousands of applications. That is an utter impossibility. The procedure must therefore be simplified. We may talk around the case as much as we want but it will not help matters at all. We are concerned with those cases where men are absolutely needed at home, perhaps the only son, the old father being compelled otherwise to sell out or engage in something else.

As regards leave, I know a number of soldiers who have applied for leave, six weeks, perhaps a month, or two months or whatever it may be. Again, the man is told to apply to his commanding officer. He must write to his parents and tell them to obtain sworn affidavits, three copies of each; he must obtain a letter of request in triplicate from his father; he must obtain medical certificates; and only then can he place the documents in the hands of the commanding officer. Then the commanding officer, if he feels like granting leave, will do so; if not, he refuses it and that is the end of the matter. Then the young man writes to his member of parliament. The only thing the member can do is to refer the matter to the Minister of National Defence (Mr. Ralston) or the Department of National Defence, and it is usually refused. If the commanding officer refuses it, the Department of National Defence refuses it also.

Why can we not get down to business and draft a proper and a uniform procedure in these matters? As it is, we have utter confusion. There are scores of young men who have not had any legal training, and you cannot expect them to draw up the documents required of them. I wish to emphasize this particular point, that the application forms, or the procedure followed, should be standardized throughout Canada. This does not apply only to the province of Quebec or Alberta or Saskatchewan; we must standardize the forms for the entire country.

[M. Hlynka.]

Another matter which I have brought twice to the attention of the government, as other members have done also, but to which no attention has been paid, is that there should be an appeal board in Ottawa to deal with cases that are absolutely deserving; otherwise if a man is refused postponement or leave he has no one to whom to refer his application. That is the end of it. That is absolutely unfair. Surely we can find three or five or ten men in Canada to deal with the legitimate appeals of men who are absolutely essential, and whose applications should be granted.

This particular question must be dealt with by two departments, the Department of Labour and the Department of National Defence, and the two ministers concerned should get together and divide their labours. The Minister of Labour has to deal with postponements and the Minister of National Defence with leaves, and they should devise a plan whereby we can get a little better satisfaction than the people have had in the past.

Agriculture is absolutely essential to the war effort; in fact, it is one of the major industries in that effort. It is the means of our livelihood; it has been the main industry in Canada, and yet we treat it as a matter of course. I do not want to get off the track, but I should like to mention that not long ago many of us on this side of the house pleaded with the government and the Minister of Labour to do something about coal miners. I do not wish to go into that question now, but on my arrival home I found many miners released after taking training for three or four months. It is the same story—muddling.

Mr. MITCHELL: Let us get the record straight on coal mines. A number of these men went from agriculture into the mines for the winter.

Mr. HLYNKA: I am sorry, but the minister is wrong. There are quite a number of miners released from military training to-day who have been sent back to the mines. Surely the minister should know that; he is the man in charge. But it shows—

Mr. MITCHELL: Where is the muddling in that?

Mr. HLYNKA: Well, it shows that you have picked up men who should have remained as miners in the mines and you should have tried to find another way of solving the manpower problem. These men have wasted four months and now they are allotted again to mining. The same will happen in agriculture. I regard it my duty to rise in my place and call the attention of the government to this problem, which is growing more serious as the days go by.

Mr. LOUIS PHILIPPE LIZOTTE (Kamouraska) (Translation): Mr. Speaker, the matter which has today been brought to the attention of the house is of prime importance, especially for those members who represent rural constituencies. I commend the hon. member for Témiscouata (Mr. Pouliot) for having introduced this motion and having pointed out that the matter involved is one of urgent public importance. I must also praise the hon. member for Chambly-Rouville (Mr. Dupuis), who has seconded the motion.

I represent a constituency where 90 per cent of the population is composed of farmers who are anxious to contribute to this country's war effort and increase production. That is what prompts me to participate in this debate.

All hon. members of this house, all those who have spoken during this session and especially in this debate are unanimous in considering agriculture as an essential industry. But they are not all in agreement as to the manner in which the policy announced by the government should be carried out. They all agree that if agriculture is essential in peace time it is all the more so in war time when we must feed our troops at home and those which we dispatch outside, as well as the people of the allied nations, where an overproduction of foodstuffs is absolutely necessary, especially in the case of those countries which, although at war, are not directly threatened by the enemy. There is complete agreement on that principle but apparently the same feeling does not prevail as regards the implementing of the policy which the government has announced some time ago, after protests had many times been voiced by a certain group in this house.

Why did the government let the press announce under glaring head-lines that farmers' sons would be exempted and that those who had been mobilized could easily obtain, even as a matter of right, leave of absence for going back to the farms? Why did the government let the press announce such a policy on the part of the government, when in some quarters every effort is made to put obstacles in the way of those who apply for postponements before they have been mobilized and of those who, having been mobilized, apply for leave of absence in order to go back to the land, which they should never have left? To my mind, Mr. Speaker, such a situation is utterly ridiculous and, it certainly induces the people to question the government's sincerity. On many occasions I have pleaded in this house for the bona fide farmers who want to increase their production as a contribution to the war effort and I do not hesitate to say that I will continue to take up their defence in this house and outside, because I know that in so doing, I am furthering the allied cause and helping my country, my constituency and especially the government which, in my humble opinion, should recognize in a practical manner that agriculture is an essential industry and give their closest attention to that problem.

It is a well-known fact, Mr. Speaker, that obstacles are put in the way of farmers' sons who apply for leave of absence, especially those who are now serving in the army, not only in the active forces, but also in the forces called up under the mobilization act and who wish to obtain leave of absence for helping in the seeding operations, the hay-cutting and the harvest. Many cases have been referred to me. I have always done everything I could to ensure the proper observance of the regulations, so that the farmers of my constituency might benefit from them and from the policy announced by the government with regard to farmers. My attention has been called to the case of a farmer's son who reported at the Valcartier camp on February 23, 1943. At that time, he applied for leave of absence for the purpose of going back to the farm. His father, who is 65 years old has but two sons; he is sick and almost unable to work. He has but two sons to work a farm of about 250 acres and to take care of a large herd of cattle. His production is quite large, considering the area of his farm. Well! To-day is the 3rd of June, and with reluctance I must admit that in spite of the fact that we sent all the necessary papers to obtain leave, and that this recruit's father writes me every week to ask whether his son will be allowed to go and help him sow his seed, since he cannot do all the work himself, this recruit has not yet been granted leave. When a man applies for leave, some commanding officers (although there are others who answer as they should and who do their duty) seem to take advantage of the situation and transfer the recruits who apply for leave from one camp to another. When the soldier has been sent to another camp, the same rigmarole must be gone through, the certificates filled once again, and affidavits from the mayor and the parish priest renewed. In some cases, I have had to prepare the same series of papers three times in order to secure leave for a farmer's son who was entitled to it according to the regulations in force and the policy openly adopted by the government.

Mr. Speaker, how do you expect a farmer who has only one or two sons to operate a

farm of two or three hundred acres, how can you expect him to decide that he will step up his production, raise one hundred pigs instead of fifty as he did before, when every morning he wonders if the postman will bring his son's notice for military training? The life of the farmer is one of worry and indecision; he does not know what the next day holds in store for him. Living in an atmosphere of uncertainty, the farmers cannot undertake to increase their production or to raise more cattle, both of which are so necessary in these troubled times.

A French author wrote a book entitled "La terre qui meurt". I would not like to see a Canadian write a book of the same title about our Canadian soil, where brawn which has limbs and numbers can well provide not only for ourselves but for others as well—

Mr. POULIOT: When hands are left there.

Mr. LIZOTTE: —and help on towards victory those who, on the battlefield, are fighting for liberty and defending each one of us.

The situation has become exceedingly serious! The hon. member for Témiscouata was quite right in saying that the matter is urgent.

The government should see to it immediately, it should grant leave to bona fide farmers' sons who are in the army and who can prove that they must be granted leave to continue tilling the soil to ensure best possible production. Farmers' sons must be granted postponements with the assurance that they will not be called to camp after a month or two. In this manner they will be able to work in peace and they will devote all their physical and intellectual energy, as well as all the attention necessary to agriculture, which is the industry in which they were employed and for which they possess all the required knowledge. I humbly submit that the best way to increase production and to put an end to this situation would be to refrain from calling up farmers during the summer. The registrar's office can easily obtain the information it needs from the national registration cards. When a man is registered as a farmer, he should not be called up during the agricultural season; and if he is scheduled to be called in winter he should be given the right to prove that he is essential to agriculture even during the slack season, though with the farmer there is no such thing as a slack season.

I do not intend to press the matter any further. We are discussing a motion for adjournment, and I do not want to be responsible for any waste of time in the house, since this question is one of immediate importance. I urge the government—and I hope my humble voice will be heard—to give early consideration to the shortage of agricultural man-power, which is a question of primary importance.

Mr. J. W. NOSEWORTHY (York South): Mr. Speaker, agriculture is not my forte, and I have no intention of pitting my meagre knowledge of agriculture against the minister's expert knowledge; nor do I represent an agricultural riding. However, as the Cooperative Commonwealth Federation member at large for Ontario I am constantly meeting with farmers in the communities I visit, and am constantly hearing from them. Two weeks ago I had the pleasure of spending a week-end at a conference which was attended by a considerable number of officials of farm and dairy organizations. Most of what I have to say this afternoon is information which was handed to me on that occasion, with the request that I bring it to the attention of the minister at the first opportunity.

The situation in Ontario in regard to farm labour is serious. Even if the government were to freeze farm labour in Ontario to-day and leave undisturbed every man now on the farms, it would not meet the present situation. I believe Ontario farms have been largely stripped of their man-power, with the result that, according to official reports, many shortages are already beginning to develop. The men with whom I have spoken have no desire whatever to reduce the number of men in the armed forces to the point where we cannot play our proper part in the invasion, when it comes, or cannot have a sufficient number of men in active service. They have no desire whatever to reduce the army reserves to the point where they will not be sufficient for the men who go into action. But when the government asks for an increase in food production, which they feel they simply cannot bring about, they become worried and anxious, and feel that some emergency measures should be taken to relieve the situation.

A few weeks ago a survey was made of Bruce county, and I am assured that the results obtained at that time are fairly representative of the Ontario situation. This survey covered 4,644 farms, of which 2,974 were being worked by only one able-bodied farmer each; 515 others were being worked exclusively by men over sixty years of age; there were only 322 hired men in the entire county, who

were assisting on only seven per cent of the farms. The survey further revealed that in that county this year 6,400 fewer acres of land are being ploughed than were ploughed last year. I mention that, notwithstanding the fact that production last year showed an over-all increase; but, as the record shows, that production was rather spotty and shortages due almost entirely to lack of man-power were already becoming evident.

A report of the Ontario department of agriculture which appeared in the press on April 15, 1942, in regard to the production of beef cattle in Ontario, stated that the total number of year-old or older steers has decreased slightly in Ontario in the period from December, 1942, to the present time. In certain communities, particularly in Middlesex county, the production of beef cattle dropped considerably. In a report of the activities of the federal-provincial conference held in Ottawa last December, appearing in the *Globe and Mail* of December 12, 1942, it was stated that Ontario marketed 163,000 fewer hogs in 1942 than in 1941. I think Canada's failure to fulfil on time its contract with Great Britain in the matter of bacon is pretty well known and has been reported in the press from time to time. A further report from the Ontario department of agriculture concerning hog production, which appeared in the press on April 13, 1943, states that Ontario hogs decreased by 44,000 in 1942, while a Canadian Press dispatch from Ottawa under date of January 25, 1943, quotes officials of the federal Department of Agriculture as saying that an over-all deficiency in pork products is in sight for 1943. The Ontario government agricultural representative in Middlesex county is reported in the press of May 29, 1943, as having said that on account of the prospective shortage of feed grains there has been recently a heavy marketing of sows, while the demand for young pigs has slackened. This reporter goes on to say that this is information gathered from a survey of farm conditions in that county. A report is published bearing date of April 5, 1943, with respect to dairy cattle, and showing that while there was an over-all increase in cattle production amounting to 7·1 per cent as of December, 1942, as compared with the same date in 1941, most of the increase was in respect of young stock and beef cattle, and very little of it in respect of milch cows.

The report of the Ontario department of agriculture dated April 13, 1943, reports that there was a decrease of 4,400 milch cows in Ontario during the preceding year. Numerous individual press reports would seem to indicate that the shortage of man-power on Ontario farms is producing or is likely to produce a shortage of foodstuffs such as Ontario raises.

Earl Kitchener, secretary of the Ontario Milk Producers' Association, speaking at Listowel on December 19, 1942, said that in several instances surveys had been made, all indicating that farmers were planning to cut down the production of dairy produce. In one district in which normally there were 10,000 milch cows, more than a thousand farmers had gone out of the production of milk entirely.

I understand that the Department of Agriculture has asked this year for an increase in the production of sugar beets. On May 22, 1943, the Ontario department of agriculture reports that there will be a marked reduction in the acreage of the sugar-beet crop. This is only one of the many conditions prevailing in Ontario, which indicate, or at least may be considered to be danger signals, so far as production is concerned.

The minister has assured us that there is likely to be a plentiful supply of potatoes. The report of the Ontario department of agriculture dated May 27, 1943, states that the yield from the early crop of potatoes will likely be at least twenty-five per cent below normal. With respect to the total crop it states there will be a considerable reduction in the aggregate acreage sowed to potatoes. I understand that the government is asking for an increase of 10·7 per cent. At this point I would say that regardless of the thousands of tons of potatoes being stored in one province, the citizens of Toronto—and I do not know the conditions in any other city—are faced with difficulty in securing a supply of table potatoes and, in numerous instances, are paying the price of seed potatoes in the purchase of potatoes for table use. That is the actual position in Toronto to-day.

If there is not a shortage, by reason of the number in storage, then somebody has fallen down in the matter of distribution. These potatoes are not available at ceiling prices to consumers in different Ontario centres.

On April 30, 1943, the London *Free Press* reported that after an extensive investigation in Huron, Bruce and Middlesex counties, and after talking with numerous farmers, they are of the opinion that field crops, including grain, will be at least twenty per cent below those of 1942, and that there will be an embarrassing shortage of feed grains and other dirt crops.

Just one further item, in support of my contention that there are danger signals on the horizon, so far as the production of agricultural products in Ontario is concerned, and that unless the man-power situation is faced immedi-

ately there will be increasing dangers of shortages. A report issued by a dairy authority on May 11, 1943, shows that cheese production for January, February, March and April, 1943, amounted to 11,684,530 pounds, as compared with 27,629,310 pounds for the same four months in the preceding year, indicating a decrease of fifty-seven per cent in those four months. Apparently some emergency measures must be taken to meet this situation.

I suggest that no one on Ontario farms wants to see our armies stripped of personnel, or their efficiency reduced. It has been suggested to me that there are two available labour pools from which farmers might draw. The minister's statement that only 4,000 applications had been received from farmers in Canada for farm help is, I am assured, in no way indicative of the present need for farm help. My opinion is that farmers have reached a conclusion somewhat as follows: What is the good of applying for farm help? Already 4,000 applications have been filed, and these are not being filled readily. "In any case", says the farmer, "if I get a man from the city or from the army, I cannot afford to pay him a proper wage, if he is any good, or a wage which will enable me to retain his services". In Ontario, farmers are becoming disheartened with the struggle. They are beginning to ask, "What is the use of trying to maintain the production level which we have tried to maintain during the past years?" The government has not told us how many divisions it is expected will be sent overseas or how many thousands of reserves will be required to supply these divisions when they get into action. We are told the number of men available in the home defence forces and that it is the policy of the government to raise another 25,000 during the year for home defence.

Most of the farmers with whom I have spoken feel that it would be in the interests of the war effort if something more helpful could be done by way of releasing some of these men now being trained for the defence forces. I am assured that the present regulations with regard to the release of men from the army, a copy of which I have under my hand, does not begin to meet the needs of the farmers of Ontario. There is, I believe, a pool of labour in industry. The speaker who preceded me referred to the hundreds of thousands of workers who have been drawn from the farm into industry and into the army. I have not the figures of those who have gone from agriculture into industry, but they must run into the hundreds of thousands.

[Mr. Noseworthy.]

With the process of levelling off that is going on, we hear continually of hundreds—in some instances it is as high as 1,500—of workers who are being changed from one industry to another or who are being laid off in one industry and then being placed in another by national selective service. I should like the minister to tell me how many men have been laid off at the John Inglis plant during recent months and how many have been reemployed. I was told by labour leaders on Sunday that there are still several hundred of the men who were laid off at this plant who have not yet been placed by national selective service.

Mr. MITCHELL: Is my hon. friend suggesting that they should be sent to the farm?

Mr. NOSEWORTHY: I am suggesting that in the interests of the war effort those men who have had farming experience might be placed on the farm. There are many thousands of young men in industry who have had agricultural experience. They were taken from the farm last winter and placed in industry for the winter months with the understanding that they would go back to the farm in the spring. The minister probably knows the actual number who have gone back, but my information is that there are still many thousands who have not yet been returned to the farms from which they came.

If help is to be given to the farmer, either from industry or the army, the government will have to face up to the necessity of subsidizing farm wages. Executives of farm organizations assure me that there is no other way of overcoming the shortage of farm help. If the farmer is paid a subsidy he will be able to compete with industry and the armed forces in the payment of his help. That is the first suggestion I would make. I am told that it would help immeasurably if the farmer were able to obtain the gasoline he uses for his tractor tax-free. I am speaking particularly of Ontario where the tractor is used on small farms. Many farmers feel that present prices do not permit them to buy gasoline for use in their tractors.

Another suggestion that has been passed on to me is that the government subsidize the purchase of feed grain as soon as seeding is completed. If this were made sufficiently attractive it would induce farmers to maintain or increase their herds. I am told that many farmers are reducing their herds. There

will be a plentiful supply of grass this season, and many farmers are likely to reduce their herds to a point where they can feed them without having to buy feed grain. Relief of this kind would help, not only in the production of meat but in the production of eggs and other agricultural products. I pass these suggestions on to the minister, not as a schoolteacher farmer but on behalf of the genuine dirt farmers of Ontario.

Mr. EMMANUEL d'ANJOU (Rimouski) (Translation): Mr. Speaker, I wish to say a few words on the matter at present before us. This question is vital to both the province of Quebec and the whole of Canada. I represent a farming constituency. I have never failed, ever since I have held a seat in this house, to fight on every occasion for the gallant agricultural class. Therefore, I am grateful to the hon. member for Témiscouata (Mr. Pouliot) for having moved this resolution, which gives me another opportunity of taking the defence of the farming class whom I humbly represent. I am glad to pay this tribute of gratitude to the hon. member for Témiscouata. He has always been, in this house, the gallant protector of the agricultural class and the upholder of every worthy cause. Some hon. members blame him for his numerous and lengthy speeches. Mr. Speaker, the hon. member for Témiscouata never fails to uphold the rights of his fellow-countrymen or fellow-citizens. I would wish this house had twenty-five members as energetic as the hon. member for Témiscouata, for then the present government would go through the mill time and again.

Frankly, it must be admitted that the agricultural class of this country is in a pitiable and discouraging situation. There is so much truth in this statement that, in my own riding, some farmers, unable to procure the help necessary for the operation of their farms, have had to sell or leave them. However, we hear on the radio, we read in the press passionate pleas begging the farmers to produce more and more, to increase their output. But they are being refused the help they need so much. The farmer is deprived of his sons who are sent to military camps, while the father, often far advanced in years and unwell, remains alone on his farm. Through discouragement, he very often forsakes his agricultural calling.

The agricultural class, as I so often repeat in this house, deserves every consideration on the part not only of hon. members, but also of the government and is entitled to all possible encouragement from them. A short while ago, an hon. member from Ontario stated that victory could not be attained without soldiers. If soldiers are essential to a victorious conclusion of the war, these troops must be properly fed and our farmers and their sons must be placed in such a position that they can till their land. It has been said that the land is the great provider. If our soldiers are to be earnest and energetic defenders of their country they must be well fed.

The present government have unfortunately deceived the farmers of Canada. Last year, large headings in the newspapers proclaimed that the administration had decided to grant exemptions from compulsory military service to farmers and their sons. This campaign was launched just before the holding of the plebiscite to incite farmers and their sons to vote "Yes". Once the subterfuge had had the desired results, exemptions were completely refused to them. Personally, hundreds of cases have been brought to my attention and I have voluminous files on the subject. I have applied everywhere to secure postponements and leaves, not exemptions, mind you, for they were unobtainable, in spite of the deceptive promises. I have applied for postponements or leaves for farmers' sons whose presence was absolutely essential on the farms and never have I been successful in obtaining practical results.

Why do not the present government, who draw their inspiration from the Union government of 1917, set up in the county seats, exemption boards or appeal boards whose members would be the worthiest citizens of the locality and whose duties would be to decide whether the farmers' sons whose exemptions are requested are really more useful on the farm or in the military camps? In 1917, the town of Rimouski had an exemption committee comprising the mayor of the town and two well-known citizens of my county, honest and sane people, to whom the farmers, accompanied by their sons, addressed their requests. These requests were carefully examined, and when the members of this board decided that the farmers and their sons or helpers were more useful on the farm than in the army, they granted them an exemption. The present government, and I repeat what I have already said, is even more nefarious than the 1917 government which was condemned so severely by the Canadian electorate at the time of the 1921 elections.

Mr. LECLERC: In that case, why don't you go over to the other side of the house.

Mr. d'ANJOU: Following the example of the hon. member for Témiscouata, I will tell the hon. member for Shefford (Mr. Leclerc) that the constituents of Rimouski elected me to this seat in the house, and here I stay; I will also speak as I see fit even at the risk of displeasing the hon. member.

Mr. Speaker, I really believe that the motion introduced by the hon. member for Témiscouata came at the right time, and I hope that the government will seriously consider all the reasons which he gave as well as those which were suggested by the hon. members who spoke before me in support of his views. We want to win the war, and yet, we will not allow the farmers to produce what is needed to feed not only the civilian population, but our soldiers as well. When justice is sought for a farmer, the same answer is always given, and that is the crowning argument; we are at war! The end of the war will not mean the end of the world; Canada will still be in existence. But unfortunately, as the hon. member for Kamouraska (Mr. Lizotte) said a while ago, a Canadian author may write "La terre qui meurt." Farms will be deserted in the other provinces just as in the province of Quebec. My province is primarily agricultural, and it will be greatly affected. Therefore, I shall be pleased to vote in favour of the motion introduced by the hon. member for Témiscouata who has, in all circumstances, and I say it once again, defended the rights of his fellow-countrymen and of his fellow-citizens; I hope that the number of members who are conscious of their responsibilities and who fully understand the position of the agricultural class will be broad enough to support the motion.

Mr. LECLERC: Mr. Speaker, I rise to a point of order. A while ago, I made a remark to the hon. member when he said that the present government was more nefarious than the union government of 1917. Such is not my opinion, but if it be the opinion of the hon. member, why does he not take his seat on the other side of the house?

Mr. d'ANJOU: In that case, I am not of the same opinion and it does not concern the hon. member whether I stay on this side of the house or go over to the other. Mr. Speaker, I shall be delighted to support the motion of the hon. member for Témiscouata.

At six o'clock the house took recess.

[Mr. Leclerc.]

After Recess

The house resumed at eight o'clock.

Mr. NORMAN JAQUES (Wetaskiwin): I suppose, Mr. Speaker, that if I were to suggest gold mines as a field for finding the needed farm labour I should be told that I did not know what I was talking about. It would seem that once a man works in a gold mine he is unfitted to work at anything else. At least that has been hinted in this house, and I might suggest that the same is true of those who think in terms of gold.

At a time when farmers by reason of war necessity have been deprived of a great deal of their labour, they have also suffered great losses in machinery, because they can neither buy new machines nor obtain repairs for their old machinery, and there is beyond question a considerable loss of efficiency on the farms in consequence. I might mention a case that was brought to my attention this session.

A number of elevators in my riding, at the request of their patrons, the neighbouring farmers, had intended to install machinery for cleaning grain and they went so far as actually to buy the grain cleaners, which are now and have been for the last eighteen months or so lying in the elevators. But they cannot get permission from the construction controller to install the cleaners because, as I am informed, and as the late controller of construction told me, they cannot spare either the labour or the materials from the war effort. That also is the answer which has been given to me in Alberta by the machine companies. They say that they cannot get the machinery or repairs for the farmers because the manufacturers cannot get the materials to put into the machines.

If that were strictly true, I would not be speaking to-night; but it is not true, because an immense amount of iron and steel, and other materials which the farmers could use, are at the present time and have been since the war started wasted in the mining of gold. I simply wish to say this just now. Surely in this time of war the needs of the farmers, that is, the needs of those who must produce the food of the nation, and the food of the allied nations, should come before the needs of gold miners.

Mr. FREDERIC DORION (Charlevoix-Saguenay): We certainly owe the hon. member for Témiscouata (Mr. Pouliot) congratulations upon having raised in the house a matter of such great importance. I cannot refrain from congratulating also the hon. member for

Chambly-Rouville (Mr. Dupuis), who did not hesitate to join the hon. member for Témiscouata, even if it did not please his colleagues.

Many members of the government looked scandalized this afternoon when this question was brought before the house. It was as if a crime was being committed.

Mr. MITCHELL: I do not think my hon. friend is serious when he says that we were scandalized and that it was a crime. That is not fair.

Mr. DORION: I said that many of them were scandalized, though this debate might interrupt only for a few hours the consideration of the war budget. When any hon. member raises a question, even of primary importance, such as this one, the majority of the members sitting to your right, Mr. Speaker, successfully hide their discontent. The whole trouble in this matter, as in so many others, comes from the fact that since the beginning of the war the government has not been able to foresee the consequences of its acts.

As regards the raising of men, the government has acted as if it were the same thing as the production of goods. They decide to raise 10,000 men and orders are given to those concerned to raise 10,000 men, without asking whether this can be done without endangering agriculture, the mines or any other essential industry. That is why we are faced to-day with a problem which is almost without solution.

I believe the government should be grateful to the hon. member for Témiscouata for having brought this problem to the attention of the house to-day. We must not forget that agriculture entered this war as one of the most depressed industries. Farmers were unable, owing to the prices they received, to pay the wages which their labour was entitled to expect. By its very nature, agriculture is not an industry which can suddenly turn over to new methods and increase its output, as many of the mechanized industries can. However, we have seen the government spending millions upon millions of dollars to build war factories. But how many millions did we give to agriculture to improve its means of production?

I was amazed not long ago to learn that some industries are allowed twenty per cent and even fifty per cent depreciation during the war. Are these industries more essential to the war effort than agriculture? The only thing the farmer demands is to keep on the farm those who can help him to make the land produce as much as possible.

One thing is certain: the farmer will not make money through this war; and this cannot be said of many other industries. It is urgent that the government take the necessary means to improve the situation. And do not forget that with this state of affairs, with all the restrictions imposed upon the farmers, their morale is getting lower and lower, and this may be the worst of all. It may be a good war effort to spend as many millions as possible; but we must not forget that the basis of all our war effort is agriculture.

Mr. J. H. LECLERC (Shefford) (Translation): Mr. Speaker, my speech will be a short one, as usual. I am not in the habit of taking up the time of the house where I consider that, speaking generally, a considerable amount of time is wasted. I do not hesitate to state that the session should be over by now. I simply wish to support the motion of the hon. member for Témiscouata (Mr. Pouliot), because certain statements are deserving of utterance. Various views have been expounded to-day. I approve of some speeches and disapprove of others. If, for example, the farmers are behind in their seeding, it cannot be attributed to the scarcity of manpower. The rainy season is to be blamed. Contrary to what the last speaker has said, the farmers make more money in periods of war. However, their income is still not large enough to allow them to compete on the labour market and pay two or three dollars a day for help. Butter would have to sell at from 75 cents to $1 a pound to permit them to do so. The farmers are unable to pay such high wages.

I specially wish to draw the attention of the house to the trouble we are faced with regarding the men called up for training. The government have amended their man-power policy. Since March, 1942, this policy is more liberal than heretofore. Before that time it was deemed advisable to call up every farmer because it was considered that they might help to protect their own homes. Our views have altered since that time. To-day there is no trouble in getting postponements for bona fide farmers' sons, but difficulties are met with when we are dealing with those who have been called up in 1940 and 1941.

In my riding, I have come across many very deserving cases. I shall call two or three of them to your attention. Last winter, a seventy-year-old widow, who has only two sons, requested that I try to get leave for one of her sons who had been called up before 1941. After months of work, I finally was successful in securing leave for that young

man who, however, did not reach the farm, where only one son remained, until late in the spring. On this farm, there were 25 milch cows and anyone who knows something about agriculture, realizes the amount of work the care of these animals represents. I may state in passing that, in Shefford, we have the largest herds in the province of Quebec. The mother exhausted her strength in attempting to help her son. Finally, in June or July, I believe, the other son, who had been called up for training, was granted leave for a few months. He went back to the army in the fall. This year, after some delay, I was again successful in securing further leave for him. He is now on the farm, having obtained leave of absence for three months. Mr. Speaker, that is not enough. He should have been granted at least six months, for, in my opinion, a farm on which there are 25 cows, as well as sheep and other animals requires at least two good men. The truth of this is evidenced by the fact that, at the time when there was only one son on the farm, although the latter includes a woodlot, they had to buy fuel wood.

I may mention another nearly similar case, where 25 cows were kept. The father and mother are at least seventy years old. Both became ill, and a nurse had to take care of them. They had only one son at home. This spring, I obtained a postponement for him but as every one will admit, two men are scarcely enough on a farm of that size, and at least three would be required. Those two men can scarcely do all the work and they should remain on the farm the whole year round. In the cases I have just mentioned, the men are not French-Canadians, but English-speaking people.

I could mention many other cases. A dairy farmer told me on Monday morning: "I keep 30 milch cows, but I have only one son at home". Moreover, this farmer sells his milk in town. All those cases deserve our consideration and I ask the Minister of National Defence (Mr. Ralston) and the Minister of Labour (Mr. Mitchell) to consider them most carefully. Farmers' sons whose services are essential on the farm, whether they were mobilized in 1940, in 1941 or even in 1942, are entitled to the same consideration shown to those who are liable to be called up this year and who are practically exempted.

Mr. C. E. JOHNSTON (Bow River): I am not going to occupy the time of the house as an effective means of hampering our war effort. My purpose is not in any way to detract from that great cause. But I do wish to say a few words upon this subject before it is allowed to pass. I believe the hon. member for Témiscouata (Mr. Pouliot) did well to bring this matter forward, because it is very timely.

A while ago the Minister of Labour (Mr. Mitchell) asked the hon. member for Lethbridge (Mr. Blackmore) where the shortage of food would be. I do not think it takes any stretch of the imagination to know where a food shortage may occur.

Mr. MITCHELL: It just depends upon what kind of imagination one has.

Mr. JOHNSTON (Bow River): That is the trouble with the Minister of Labour; he has not a good imagination.

Mr. MITCHELL: Coming from my hon. friend that is a compliment.

Mr. JOHNSTON (Bow River): That shows that I can at least pass the minister a compliment when he has it coming to him. There is no question as to where the shortage of food will be; it will be right here in Canada. One does not have to use imagination in that respect. The shortage is here now; otherwise there would be no necessity of rationing, and rationing is being extended all the time. I am not objecting to that, because it is the proper thing to do if there is a scarcity, but it is great folly for us to ration food without making any concerted effort at the same time to increase production.

So far as the shortage of food is concerned, the minister has in mind, as we all have, that Canada is raising more foodstuffs now than she ever did before. Nobody is denying that. But we have committed ourselves to definite obligations to countries overseas, obligations which we cannot escape. Therefore we must raise enough in addition to take care of our own wants, and I maintain we can do that without any difficulty if we have a proper man-power policy.

The Minister of Agriculture (Mr. Gardiner) has asked for greater production this year of all foodstuffs; and, speaking in the house some little time ago, he expressed the opinion that there was nothing in the way of reaching that objective, so far as man-power is concerned. I hope he is right, but I greatly fear he will find himself mistaken before next fall comes round. Just because we have on hand a good supply of certain commodities, such as wheat, I do not think we should sit down contentedly and say that all is well. This year, I believe we are in for a setback, even in regard to wheat; and if we should have a disastrous season, with the commitments we

already have for overseas delivery, we in Canada are going to find ourselves rather short even of wheat, as well as other commodities.

Mr. MITCHELL: So long as we do not run short of talk we shall be all right.

Mr. JOHNSTON (Bow River): If we do, I am sure the minister will make up any shortage; he has done very well in that direction so far; but that is about all he has done, for the onus of this whole question falls upon the shoulders of the Minister of Labour. I am not going to blame him personally; as I said once before, speaking of the strike in Montreal, he was asked to do an impossible thing, and I explained why I made that statement. I do not intend to go further into that matter now.

Some of the difficulties we shall face this year will come as a result of the late seeding which, together with the shortage of man-power to put in the crops, will make the harvest exceedingly late. Then, again, there will be a man-power problem; the harvest will be so late that there will be a great rush, and there simply will not be enough men to take it off. That is a problem we might as well face now, in order that we may make some preparation to meet it. I believe this whole question could be handled most efficiently if we would all face it honestly. Let me explain what I mean by that, and I do not think I could do better than quote the words of the Minister of National Defence for Air (Mr. Power) as reported at page 3275 of *Hansard* for yesterday:

> . . . I am not running an air force to go farming, but to fight overseas and to train here. If a man enlists in the aircrew he enlists of his own free will and he must go through the training for a most important job of work, costing us $25,000 if he is a pilot, $27,000 or $28,000 if he is an observer or navigator and so on. I do not think we can afford to let him go away on farm leave. I do not know whether the committee will agree with me, but so long as I have anything to do with the air force, either it will be an air force or they will be farmers and will go back to their farms. I do not wish to have a double-barrelled organization, running farms and an air force at the same time.

I wish to congratulate the minister on his frankness, and to say further that he has been staunch in his stand in that regard ever since the beginning of the war. That is the proper stand to take. You cannot fool around with this question; and I think if the Minister of National Defence (Mr. Ralston) would come out with a similar statement we would begin to clarify this matter.

Mr. BOUCHER: What about the Minister of Agriculture (Mr. Gardiner)?

Mr. JOHNSTON (Bow River): I am just coming to that. There is no use in talking; neither in the air force, the army nor the navy can you have a man here to-day and gone to-morrow, and the people in these departments are not to blame. That blame properly should be placed upon the man-power policy of this government; that comes under the Minister of Labour, and that was what I meant a moment ago when I said that the responsibility definitely fell upon the shoulders of the Minister of Labour. There is no man-power policy so far as agriculture is concerned. The Minister of Agriculture has also been placed in an impossible situation, and now he is trying to get out of it as best he can. I remember that I was talking to the chairman of one of the selective service boards in regard to agricultural postponements and he said, "I don't want to take these boys off the farms any more than you do, but here is the position in which I am placed. I get an order from Ottawa saying they want 25,000 men. Out here in the west, where am I going to get them? We have taken practically all the men we can get from the cities, though we can still pick up a few here and there. Anyone with an ounce of brains knows the only place we can get 25,000 men is from the farms, and as long as they tell me to get 25,000 men I am going to take them from the farms or any place else. If they don't like that, they can change the policy." That is talking straight, and there was no argument against it. There, again the responsibility was thrown directly where it belongs, right on the shoulders of the Minister of Labour, and whether or not he likes it he will have to accept that responsibility. When a man is taken off a farm and put into the army, apparently that is where he should be, and that is where he should stay. But if he is essential to agriculture he never should have been taken off the farm. Surely that is what the selective service boards are for.

If we look at agriculture in the proper light we must agree that agriculture is just as important as any other war industry in Canada. We have discovered the folly of saying, "Well, when harvest time comes we will send some of the school boys or school girls or what have you to the farms." We tried that experiment last year; no doubt the Minister of Labour did so in all good faith, in order to meet an emergency. These fellows from eastern Canada were sent to the west

but, as the hon. member for Vegreville (Mr. Hlynka) says, they could not take it. You cannot take a fellow from the city, I do not care whether he is a school boy or a full grown man, and put him on a farm at harvest time and expect him to keep up with the other men. It just cannot be done. I spoke to some of these fellows who were on their way back east last fall, and they acknowledged that they could not keep up with the work. It was not their fault; they just could not carry their end. It would be the same whether you paid them $7 or $8 a day. So that the farmers are reaping the benefit of our muddled labour policy, to the extent that in my own constituency as much as ten bushels to the acre have been lost on account of mice. Who should be blamed for that? The farmers were not to blame; it was definitely the fault of the government.

Mr. MITCHELL: The weather.

Mr. JOHNSTON (Bow River): Not altogether.

Mr. MITCHELL: The harvest was late last year.

Mr. JOHNSTON (Bow River): Well, if the labour had been available the threshing would have been done, though a small portion might have been left over. I know of machine after machine in my own area that was running with only three, four and five teams when it should have had twelve or fourteen. The threshing was not completed in those areas, and the farmers were penalized to the extent of ten bushels to the acre. Not only that, but in a great many cases the grain was swathed, and not in the stook. The grain in the swath this year was spoiled, and some of it sprouted before it could be threshed, with the result that the harvest carried from last fall to this spring resulted in late seeding.

Coming back to the question of man-power, and as to whether it is efficient or not, may I refer to postponements from the army. Mind you, I wish to make it definitely clear that I am not disagreeing with the army or the air force. I think it is the height of foolishness for either the army, the navy or the air force to take in men and then be forced to allow them out for other work. But let it not be misunderstood that I do not think the boys who are essential to agriculture, should ever have been taken off the farms and put into the army, and those who are there now should definitely be put back on the farms, with instructions to stay there. I think the agricultural leaves from the army, the navy and the air force are handled in an entirely wrong manner. In the last couple of months I have been convinced, from what I have seen, that once you begin to get a postponement for a young fellow in the army, the air force or the navy, and happen to write a commanding officer, or the boy writes his commanding officer, right then they begin to step on him. Delay after delay occurs, as was pointed out a while ago by one of the other speakers.

The boy who happens to be at the army or air force camp is first instructed to get affidavits. He has to write home to his father or mother and they have to run around the country getting these affidavits. Then they send those off to the boy, and he has to take the matter up with his commanding officer. And so the process goes on for three or four weeks. Then the commanding officer does not think he can let the boy go on the grounds stated. Then probably the boy, his father or his mother writes to their member of parliament, and the member takes it up through the department. By that time the boy is transferred, and probably he is sent overseas.

I have one case before me, one which came to my notice to-day, where that very thing happened. I started correspondence in connection with this matter last spring, when seeding first started. When finally I got a favourable reply from the department the boy was drafted for overseas, although he had not finished his basic training so very long ago. I have another case, right here, which occurred in connection with the navy, where the same is true. In this instance the boy was drafted to another ship, and away he went. The father and the mother wrote saying they imagined there was no use in going on with the matter. This boy was told that, so far as the armed services were concerned, no more leaves were being granted, and that all leaves were postponed.

This is definitely interfering with agricultural production. I fear lest this fall, when it is too late, we shall find out that we are falling far short of our expected production. Then we shall have a catastrophe on another front. That is too serious to be overlooked. Now is the time to take action, although even now is quite late.

I have in my hand a letter from a different part of Canada, namely, from Quebec, and I find that in that province conditions are no different from what they are in Alberta, Saskatchewan and Manitoba. I should like to read a portion of this letter, in which

a lady writes to me respecting her son. She had been at a meeting at which the deputy minister of agriculture was present, and following the meeting she wrote:

I protested to the meeting that there was even then, October, 1941, a serious lack of labour on eastern Canadian farms and that we had been forced only a month ago to sell at auction the highest producing pure bred Holstein herd in Quebec. . . . We had a succession of men who either enlisted or were drafted.

And then at a later point in the letter:

The fact that dairy herds were being sacrificed was recalled. Doctor Barton answered this by stating that individuals might be forced to liquidate here and there but such animals were purchased by other farmers and continued to produce.

And then in brackets she writes "Mr. Gardiner's theory". The letter continues:

To-day my husband and I are alone on a 300-acre farm within 55 miles of Montreal. Our son, 18, is in the R.C.A.F. He is better off out of it, we think. The farm, I mean. Here he too would be alone. . . . We have about 15 head of stock and milk one cow for ourselves, feeding a couple of calves.

There was a great dairy herd destroyed. She goes on in the letter to point out that in that neighbourhood other dairy herds had to be sacrificed because the boys were taken away.

Mr. McDONALD (Pontiac): Did the boy not enlist?

Mr. JOHNSTON (Bow River): I am glad the hon. member asked that question, because I had just picked up the speech of the Minister of National Defence for Air (Mr. Power), with regard to which I wished to refer to that very point. The hon. member asked if the boy did not enlist. May I refer for a moment to the statement by the minister:

If a man enlists in the aircrew he enlists of his own free will. . . .

That statement is absolutely wrong and misleading. This system of enlistment we have is the most scandalous that was ever put across a country. It is not enlistment in any sense of the word; it is coercion.

Mr. SPEAKER: Order. The hon. member will recall the motion before the house is one to adjourn the house because of a shortage of agricultural man-power. The question of enlistments is certainly not within the purview of that question of man-power.

Mr. JOHNSTON (Bow River): I was going to show the house that the method of taking men from the farms was the effect of that. The question was asked definitely and I intended to spend a second or so in answering it. It is definitely linked up with the shortage of man-power on the farms, and I think I can prove that to Your Honour in a few minutes.

Mr. MITCHELL: Before my hon. friend does any proving, surely when he refers to members of aircrew he must know they are the most courageous men who were ever born.

Mr. JOHNSTON (Bow River): That has nothing to do with the matter.

Mr. MITCHELL: Oh, that is all right; but you said they were coerced into aircrews.

Mr. JOHNSTON (Bow River): I did.

Mr. MITCHELL: Surely my hon. friend is not serious about that. He makes a charge against young fellows like that who are flying over France and Germany to-night.

Mr. JOHNSTON (Bow River): Do not try to bring a red herring across the path like that. The minister knows better than to do that.

Why did most of these fellows enlist?—because we did not have the gumption in this house to say what we thought. That is the fact, and every member sitting here knows it. And a good many members sitting in the cabinet know it, too. If we had had—I was going to say the intestinal fortitude, but I do not think that is parliamentary—if we had had the gumption to go out and state a definite policy we would not have the trouble we are having to-day. These fellows who were on the farms knew they would be called up. It is happening every day, and it is happening even now. They know they will be called up, drafted out of the farms and taken away from essential industry. They know they will be drafted into the army, and so they enlist.

Mr. MITCHELL: My hon. friend knows we are not drafting people from the farms into the army at this time. My hon. friend knows that.

Mr. JOHNSTON (Bow River): They certainly are being drafted at this time. That only shows the confusion that exists, even to-day. With all due respect to the Minister of Labour, I do not think he is serious, because I am sure he knows the difficulty he himself is finding with this man-power policy. But in my judgment he will never be able to settle the agricultural problem until he straightens out that question.

These young fellows on the farm, who are most anxious and willing to stay there, who know they are essential to agriculture, who know their parents cannot get along without them, must make a choice, they must either enlist or be conscripted. Hon. members

know the stigma that is attached to the word "conscription". If everyone physically fit had been conscripted and put where he was most fitted, put to his task under a decent and proper selective service, we would not have the difficulty we have to-day. That is what is the matter. We have not as yet a definite man-power policy.

I hope the Minister of Labour will be able to get some suggestions out of what I have to say. Here is another suggestion that will help to solve the agricultural problem if heed is taken of it. At this very minute we are entering into an unemployment period. That is what is happening right in the heart of war. Men in industry are being thrown out of work. At the Calgary Ogden shops fifty men were laid off at one time, and two hundred at another. Those shops are producing essential war materials, and yet a return tabled in the house shows that only fifty-three, if my memory serves me aright, of these men have been replaced by selective service. Something like sixty are on unemployment insurance, and selective service does not know where the rest are.

Some of those men were experienced agriculturists. Why did the selective service boards not get after them? The one lady to whom I referred to-night has one son in the navy; he enlisted because he knew he would be conscripted. The other boy enlisted in the army for the same reason. I received this letter only yesterday, and she tells me that they have six hundred acres which are not seeded. Does the Minister of Agriculture (Mr. Gardiner) or the Minister of Labour contend that we can reach our objectives in agricultural production with conditions like that? That is only one case and there are many more over the country.

I am not going to speak at any great length on this matter. If the Minister of Labour will be as frank as the Minister of National Defence for Air was, he will come out and say he knows where the difficulty is. There is no question about that; otherwise I do not think he would be occupying his present position. He knows he has been in an impossible position trying to operate under a two-way system. He will have to establish a man-power policy which will put these men where they belong and keep them where they are best suited. If they are essential to agriculture, put them there and see that they stay there. If they are in the army, you will have to take them out and put them on the farm.

Mr. MITCHELL: If my hon. friend is not careful I will put him in agriculture.

[Mr. C. E. Johnston.]

Mr. JOHNSTON (Bow River): If the minister puts me in the Department of Labour I know I shall not do any worse than he has done.

Mr. MITCHELL: My hon. friend misunderstands me; I said I would put him to work on the farm.

Mr. T. C. DOUGLAS (Weyburn): Mr. Speaker, the problem of the shortage of farm labour is not one that has risen over night. This problem is the direct outcome of the policy of the government for three and a half years and its failure to tackle courageously and intelligently the problem of the allocation of man-power. We are paying the price to-day in a threatened shortage of fuel and food. Four different ministers have had this problem tossed into their laps. The first one was the Minister of Agriculture (Mr. Gardiner), who for a while was Minister of National War Services. It was then passed over to Mr. Thorson, who was Minister of National War Services for a short time. Then it was the baby of the present Minister of National War Services (Mr. LaFlèche), and finally it was tossed into the lap or on to the doorstep of the Minister of Labour (Mr. Mitchell). He cannot be blamed entirely for the present situation because he has inherited it. But the problem is there, and it is always more difficult to solve a problem after three and a half years of muddling than it is if it is tackled properly in the first place.

We recognized at the outbreak of the war the need of and advocated an intelligently planned programme for handling this problem. On September 9, 1939, the hon. member for Rosetown-Biggar (Mr. Coldwell) set forth in this house the views of this group. Discussing this problem, he said among other things, as reported at page 57 of *Hansard*:

> We have tremendous resources. In modern war huge masses of men are being replaced by mechanized units which require vast quantities of supplies to maintain them in the line. Frenzied demands for the enlistment of more and more men, if granted, may defeat the very object in view, success in this struggle. This was to a more limited extent true in the last war. Sir Wilfrid Laurier, for example, noted that condition in a letter which he wrote on May 15, 1907, to Sir Allen Aylesworth, in connection with the problem of conscription, in which he said:
>
> "There is a shortage of labour in agriculture and industry, in fact in every field where brawn and muscles are needed, and in the face of this condition people there are still yelling for more men being taken away from occupations in which they are so much needed."

We have recognized that throughout the progress of the war there have been two extreme schools of thought with reference to the problem of man-power. There have been those who have cried for an ever-increasing army who could talk of nothing else than conscripting men and putting them into the armed forces as though that in itself would solve the whole problem. We have maintained that to do that would be to overlook the fact that we have certain commitments for the production of war materials and foodstuffs and that our effort must be a balanced effort rather than a one-sided one.

On the other hand there have been those at the other extreme who have sought to have almost total exemption for farmers and farmers' sons and who have wanted to use every possible excuse to deprive the armed services of man-power. We have dissociated ourselves from that point of view. We have never believed that any special class or group should have special privileges. In our opinion that is class legislation, and class legislation of any sort is nefarious and harmful. The point of view we took was that we wanted an intelligent plan for the allocation of man-power. First of all we should find out what is our total available man-power; how many physically fit men there are within certain age groups. Our man-power pool is not a bottomless pool; it has definite limitations. Our first task was to find out what that was, and we asked for that repeatedly. Registration was supposed to provide that information. It did not do so very effectively. Then, out of that pool of man-power we must decide first of all the minimum number of men that would be absolutely necessary to maintain our home economy—to run our railroads, our mines, our factories and our foundries.

Next we must decide what was the absolute minimum necessary to grow the foodstuffs which we ourselves required and sufficient in addition to meet the commitments which we have made to Britain and our allies. After we have decided the numbers that were needed at home and how they should be apportioned among these needs, we must decide what available man-power we had for the fighting services and how they should be allocated as between the army, navy and the air force. But that has never been done. Since the outbreak of the war, what there has been is a competition between the different departments of the government for the services of the same man. It did not matter what the man was doing, whether he was on the farm, in industry or in a mine. The army was asking for him; so were the air force, and the navy; munitions factories were beckoning to him; the coal mines wanted him in the mines; the railroads wanted him on the railways. All the different departments of the government were competing with each other for the services of the same man, and at the same time the Minister of Agriculture was setting a programme for the farms of this country. In other words, the policy this government was following was the policy of laissez-faire. The policy which this government followed in peace time it follows now in war time—the policy of doing nothing until public opinion makes you do it, and then do just as little as you have to do, and do it too late.

Mr. ADAMSON: And do it the wrong way.

Mr. DOUGLAS (Weyburn): What happened under that policy? The law of economics naturally took men from the low-paid industries into the higher paid industries. Men drifted from the farms into the munition factories, from the mines into the shipbuilding yards. All the time men were moving from the low paid industries into the higher paid industries. Also a large number of men went into the armed services. The result of it all was that on the prairies particularly, many of our rural areas were already completely denuded of man-power long before the government brought in compulsory military service. As a result of this unplanned confusion we find that Canada after three and a half years of war finds it has more men in non-essential industries than it had a year and a half ago.

Mr. MITCHELL: That is not true.

Mr. DOUGLAS (Weyburn): The last available figures in January showed that it was true. The minister can give his figures.

Mr. MITCHELL: I shall be glad to give them when discussing man-power.

Mr. DOUGLAS (Weyburn): The second thing that happened was this. After three and a half years of war we find the government asking the agricultural population, with 395,000 fewer men on the farm, to produce more foodstuffs than we ever produced before.

Mr. MITCHELL: Are we not asking all our people to make a similar effort? And they are doing a pretty good job at that.

Mr. DOUGLAS (Weyburn): They are. But I am trying to find out whether we have not gone beyond the limit in what we are asking our farmers to produce when we have 395,000 fewer men on the farm. We are asking them to produce quantities of foodstuffs that we would have thought a few years ago it was impossible for them to produce, even with hundreds of thousands more men on the farm than we now have. The result of it all is that to-day in Canada, one of the greatest

agricultural countries in the world, we are rationing meat; we are rationing butter; we have some restrictions on cream, and in certain cities of Canada potatoes are unobtainable. If we had told that to anybody in the House of Commons three and a half years ago they would have said that such conditions were impossible.

Mr. MITCHELL: Is it not because we are trying to feed the British people?

Mr. DOUGLAS (Weyburn): No; that is only part of the story. We are not exporting beef or butter to Great Britain.

Mr. MITCHELL: Cheese.

Mr. DOUGLAS (Weyburn): What we are shipping to Britain is only part of the story. There is something more, Mr. Speaker.

At the beginning of this session I made a plea to the Minister of Agriculture in which I said that unless something was done in connection with the man-power situation on the farms we would face actual food shortages in this dominion in the next twelve months and might not be able to meet our food commitments to Great Britain—and it is very important that we do. The Minister of Agriculture answered in a very eloquent speech, but there was more eloquence than logic in it. He said that last year we produced more than we had ever produced before and with less man-power. That is true, but it was because, first of all, we had the best climatic conditions right across Canada that we had had for the previous twenty years. Such conditions may not be duplicated. Second, it was done at the expense of the people on the farms whom we asked to make superhuman efforts. Old men, women and children—I saw them last fall out in the fields shovelling wheat and pitching stooks.

Mr. MacKINNON (Edmonton West): Pitching stooks?

Mr. MAYHEW: Some farmer!

Mr. DOUGLAS (Weyburn): I have done more farming than perhaps the hon. member for Victoria, British Columbia. We have no guarantee that these conditions will be duplicated. Weather conditions have been extremely bad; we may not have the same favourable climatic conditions we had last year. Second, the man-power available is reduced as compared with last year. It may be that we have reached the point where we have denuded the farms of man-power to such an extent that this country will not be able to meet its own food requirements and those of Great Britain. The great republic to the south of us also faces a critical situation. They find themselves with only feed grain enough for the next six months. They may need feed grain from us. We may not be able to supply it. There is talk there about bonusing people to grow grain because they are faced with a possible shortage and they may be unable to feed the stock which they will require to continue their war effort.

Alongside of this shortage of man-power on the farms and the danger that we may not be able to meet our production quotas is the fact that there has been scarcely a week during this session when some member has not asked the minister, what about certain men who have been laid off from this factory or from that, and how are they to be placed? Last fall and winter the number of unplaced applicants registered as unemployed ran around 100,000. It is hard to conceive of it—a hundred thousand persons in Canada registered in Canada for employment and not placed!

Mr. MITCHELL: It is not hard to conceive if you know what the figures mean. It can be understood by anybody who knows about the shifts in our industrial economy, part-time workers in the cities and so forth.

Mr. DOUGLAS (Weyburn): It is not only our industrial economy, may I point out to the minister?

Mr. MITCHELL: And in agriculture.

Mr. DOUGLAS (Weyburn): In *Votes and Proceedings* of March 22, 1943, I find that in Saskatchewan, which is not an industrial province, the number of persons registered for employment was 2,769. That was at a time when it was difficult to get workers on the farms and difficult to get men to work in the coal mines in the southern part of our province.

Let me review what the government has done to meet the shortage of agricultural man-power. The first thing the government did was to pass an order in council, P.C. 2252, on March 23, 1942, which was supposed to freeze men on the farms. The fact is, of course, that this did not keep men from being called up under the National Resources Mobilization Act, although it was intended to do so. The best proof of that is found in the figures which the Minister of National Defence put on *Hansard* the other day, as reported at page 3031. I quote:

The intake of new personnel into the army for the fiscal year 1942-43 by military districts, based on telegraphic reports from the districts, is as follows.

Then follow the figures. The total is 74,204, who were taken in during the fiscal year from April 1, 1942, to March 31, 1943. That year pretty well comes within the period since the order in council was passed. What do we find? In spite of the fact that it was an order in council which purported to prevent men from being taken off the farms, we find that in military district No. 12, which is Saskatchewan, nearly 7,000 men were taken off the farms and put in the army. And when we compare that with other military districts we find that Saskatchewan is the third highest in Canada, the only other districts which are higher being No. 2, with 10,908, and No. 4, with 15,886. That is an amazing thing.

If one needs further proof one has only to look at the table which I placed on *Hansard* at page 2920. That table showed that although in Saskatchewan 22,119 were called up, only 8,041 were granted postponements. When the hon. member for Labelle (Mr. Lalonde) this afternoon said that he had been handling 1,200 cases for postponement from military service and that more than half of them had been granted postponement, and when I look at administrative division F, Quebec, and observe that out of 26,565 on call, 21,474 were granted postponements, I begin to understand something of the 1,200 cases referred to by the hon. member for Labelle.

Mr. MITCHELL: I will give the hon. member much more interesting figures than those when we have the man-power debate.

Mr. DOUGLAS (Weyburn): I shall be glad to get them, but to me these figures are startling. In Saskatchewan 22,119 men are called and 8,041 are granted postponement, and in Quebec 26,565 are called and 21,474 are granted postponement. And Saskatchewan is a province which is almost entirely agricultural, a province wherein order in council P.C. 2252 was supposed to have been enforced in order to prevent men from being taken off the farms.

The fact is that it was not applied, and the hon. member for Bow River (Mr. Johnston) is correct when he says that the men who were administering these boards were put in a dilemma, being told by the military authorities, on the one hand, that they wanted so many men, and by the government, on the other hand, "You are not to call farmers off the farm." Well, they had to take them off the farms, or they could not meet their quotas. If one needs proof that the order in council did not work, one has only to look at the interpretative letter sent out last January, which shows that the government itself became alarmed at the extent to which farms were being denuded of the essential man-power if they were to produce the quotas of foodstuffs which the country had set.

When that did not meet the situation the government tried another measure. It was announced with some fanfare that men in the army were to be granted leave, and most people got the impression. through public statements which were made, and announcements over the radio, that this really amounted to something. But I fear the public were badly deceived. It did not affect more than an infinitesimal number of men. Look at the regulations and see who are eligible to receive agricultural leave. I think it is worth while putting it on the record:

> Agricultural leave may be granted to personnel of the Canadian army serving in the following formations and units:
>
> 1. Personnel on the strength of home war establishments district depots.
>
> 2. Other personnel on the strength of the district depots, less those awaiting dispatch to basic training centres and those awaiting allocation after completing advanced or trades training.
>
> 3. Personnel of Veterans Guard of Canada who have completed individual training and who can be spared from the duties on which their units or detachments are employed.
>
> 4. Personnel of units employed on operational duties less those earmarked for overseas service. Such personnel must have completed individual training before being granted leave, and the number granted leave must not exceed five per cent of the unit strength at any one time.

Let us review these exceptions. First of all, a man cannot be granted leave if he is taking basic training. In other words, the ones most recently taken off the farm and whose parents are finding it most difficult to get along in their absence, are the very ones who cannot come back for spring leave.

Those awaiting dispatch to training centres and those awaiting allocation after completing their advanced or trades training cannot be granted leave, and even where they may be granted leave, the number granted leave must not exceed 5 per cent of the strength of the unit. And before a man can be granted leave he must have the approval of his commanding officer, which in turn must be endorsed by the district officer commanding and the general officer commanding. Well, of course, under these regulations the provision that the men in the army would be granted leave to do farm work has had little or no beneficial effect upon the scarcity of farm labour.

Before I sit down I wish to suggest that there are three things that ought to be done. First and foremost, the men now on the

farms, men who are engaged in agriculture, should be kept there. The minister said a moment ago, interrupting the hon. member for Bow River, that men are not being called now. I cannot speak for the other groups in the house; but there is not a member in our group from Saskatchewan who does not get letters every week—one might almost say every day, but I think I am safe in saying every week—with regard to men who are still being called off the farms in Saskatchewan, and who have made application for postponement and in some cases had their applications rejected. That is the first thing. These men ought to be kept there, not because they are farmers. I do not want any man to be allowed to shirk his responsibility because of his occupation; but if the country decides that, in order to feed this nation and our allies, a certain amount of foodstuffs must be grown, then it is our job to say to these people, "Your task is to produce these foodstuffs, and in doing so you are doing your part toward winning the war, just as much as though we had put you in uniform or put you in some other field of service".

The second thing which the government ought to do is to consider very seriously how they will dispose of the 68,228 men who are known as home defence personnel or "R" recruits called up under the National Resources Mobilization Act. A great number of these men are off farms. I do not think it is being too optimistic to say that the danger of invasion of this country has receded to some extent in the last twelve months, and that if the invasion of Europe takes place the danger to this country will recede proportionately. It seems to me that the government must make up its mind what it is going to do with these men. Sixty-eight thousand men is quite a sizable pool of man-power; and, unless the government decides that it is going to convert these men into General Personnel and send them overseas, a great many of them ought to be returned to the farms, at least temporarily, if not permanently.

I agree with what the Minister of National Defence (Mr. Ralston) said, that you cannot have an army that is farming one day and fighting the next. So far as the general service personnel is concerned, I think that is correct. But here is a body of nearly seventy thousand men. The Minister of National Defence said that 25,000 more are to be called in the next year. That will be over 90,000 men who cannot be sent out of Canada. A great many are farmers or farmers' sons, and I think the government will have to make up its mind either to use them as soldiers or to put them back on the farms.

As I said to the minister the other night, it was my experience last fall to see in the province of Saskatchewan young men taking their basic training, most of them off the farms, husky, brawny specimens out doing route marches, within a stone's throw of women and school children out working in the fields. It seems to me that the situation is ridiculous and that, if this country is to be faced with a food shortage, and if because of the lateness of the spring we need man-power, there is a pool of man-power that could be utilized.

Just one other suggestion I make to the minister. A large number of people have gone out of agriculture not into the army, but, as he knows, into industry, and some of them into non-essential industry. I know many of them who have gone to take more lucrative jobs; you cannot blame them for that, but they are jobs which do not contribute to Canada's war effort. I think a country which has assumed the responsibility of saying to some men, "You must go out and risk your lives for this country", ought also to take the responsibility of saying to other men, "We do not think you need to be waiting on tables or serving in stores; we think, since you came from the farms, that is where you ought to go." That will mean, of course, making certain adjustments. We cannot ask a man to leave a job at $125 a month and go to work on a farm at $60 a month. In some cases it might not be a sacrifice for him, if he is a single man, but if he is a man with a wife and family, it would be a very serious sacrifice indeed; and one of the things the government should take into consideration would be the advisability of treating these men who would be taken out of non-essential industry and returned to agriculture in the same way that we treat the man in the army, namely, pay his dependents an allowance, in addition to whatever he himself earns on the farm.

The argument will be, of course, that we would be paying different groups of men different pay. But we are doing that every day in the army, the air force and the navy. Two men may be marching together in the same platoon; one man single, the other man married, with several dependents. The total amount of money they are receiving out of the public treasury is different even though the service they are rendering is the same. It is one of the anomalies which comes out of our war; and when the government ask a man to do a certain thing which they

think he ought to do, they must accept the responsibility for looking after his dependents. I suggest that if the 220,000 men who have left agriculture and are said to be in industry are to be returned to the farm, the government should give serious consideration to setting up a dependents' allowance for those men who have families, so that, should they return to work on the farms they will know their families will not suffer by virtue of the fact that the government has asked them to make their contributions in agriculture rather than in some other part of our war effort.

Mr. L. PHILIPPE PICARD (Bellechasse): Speaking on February 17, as reported in *Hansaard* at page 499, I concluded my address with the following words:

Let us not forget that the land is the first element that enters into the question of production. Farming is the primary industry and the most essential in carrying on a war, because the best trained men, with the best and most modern equipment, cannot fight on an empty stomach.

I hold the same view to-day; but, because of the importance of this question I have decided again to take a few minutes of the time of this house to express my views on the problem.

On that same day I had asked the government to examine—

. . . the difficult situation in which some farmers find themselves at this juncture. They do not know how to plan their production for the next year. They do not know where they will stand as far as help is concerned. On the one hand they are advised by the Department of Agriculture to produce more and more, which is good advice; on the other hand they face mobilization orders and varying interpretations in each district by the mobilization board. They do not know where they will be, if they are without the help of their sons or their farm hands. So far as production is concerned, they face a shortage in certain supplies which they need.

Prior to that, a year ago, on February 12, 1942, if I may be permitted again to quote myself, I stated in this house, as reported in *Hansard,* at page 529:

I admit readily that it would be hard to uphold that the agricultural class should benefit by special treatment that is not granted to other classes of people who do their share of war work.

I meant by that the same thing as the hon. member for Weyburn (Mr. Douglas), that, as a class, if their production were not needed, if we were not at the moment in a war when the need for more food was present daily, it would not be just and fair to state that one class in all the population should benefit more than another. But it is not just because they are farmers, but because at this moment the farming industry is the most important, after our armed services and our war munitions factories that they should get special consideration. As I stated before, the army cannot fight on an empty stomach; I said at the same time:

The primary consideration is the service rendered to the country by the land tiller and the necessity to maintain or raise the production of food in order to help feed Britain, and, above all, to maintain Canada's health and vigour by proper diets, ensured by increased supplies of food. Therefore what appears to be important is to maintain a sufficient number of experienced men to cultivate the farm lands of the country. Although I am a layman in agriculture, I imagine it could be very easy for experts in that domain to determine how many men are needed to farm land of a definite number of acres with a given type of equipment and a certain number of head of cattle and hogs, and so on.

At that time somebody told me that this was not a practicable thing to do. I now know that there are experts of the Department of Labour who are doing this very thing. They are analysing the food situation, the situation on the farms, the productivity of certain lands, the number of people needed on different lands. I have met some of these experts, and I think they are doing a great job. They were very much surprised when I told them I had been criticized for having said that it could be established how many men would be needed on a given farm in different parts of the country. If you have flat lands which can be cultivated easily with modern implements, in the west, that would be one thing; in Ontario and Quebec it may take a greater number of men for the same number of acres. These experts are, I know, at work at the present time, and we shall soon see that they can produce results.

In the course of the same speech I stated further:

It would be quite easy then to state that a farm of thirty acres operated with horse-drawn implements with fifteen head of cattle, three horses and the usual small poultry yard, needs so many men. The owner, with three boys of military age, whose farm would fall under a category considered to need three men, and who is still able-bodied, would be allowed to keep two sons on the farm and would give the third to the armed services.

Or to agriculture, to serve as a farm hand in another section of the country or in his own district.

This classification of farms could be fairly accurately established, and the decisions of boards of the war services department could then be arrived at with a maximum of security against favouritism and law-evasion.

I think the importance of agriculture during this war is better established than probably

at any other time in the history of our country. I should like to read a sentence from an address by Hon. Herbert Hoover to the conference of mid-west governors on March 15 of this year:

Germany in 1914 produced about eighty-five per cent of her food supplies despite the blockade. Her war leaders were sure they could ration the population down fifteen per cent, and therefore had no anxiety about food. They neglected the food front. In three years, Germany was dangerously short of food. In four years, mobs were demanding bread and the emperor's head. And Germany weakened on the military front.

The lesson we should take from this statement by Mr. Hoover is that during this war, while perhaps in many branches of agriculture we are one of the largest producers, we should not relax our efforts but should increase our production and do as much as we can, not only to feed ourselves but also to feed our allies and to anticipate the demands that will arise when the invasion of the continent takes place. Commenting on this statement by Mr. Hoover, the New York *Daily Mirror* of March 16 had this to say:

That lesson is that food production and distribution must be put on the same footing as the production of munitions.

I think that is one of the elementary truths we should realize at the present time. Then this newspaper went on to offer certain suggestions, which fortunately we have already adopted in our country. They said an immediate survey of their food resources was indicated. In a moment I will show that this already has been done by our Department of Agriculture. Then they stated that the responsibility for food production must be concentrated in one authority, because in the United States many people in addition to the secretary for agriculture have something to do with the production, control and distribution of food. Here we have control boards and the Minister of Agriculture (Mr. Gardiner). In my opinion the Minister of Agriculture should be made supreme in the control of the production and distribution of food in this country. Not only because he is capable of doing that work but because if this were done we would have the advantage of putting all branches of agriculture under one head, to be directed under one plan.

As I stated a moment ago, those were two suggestions in regard to the United States, offered by a newspaper in that country. Here in Canada we have made a survey of our food situation and a new programme has been drawn up. I have in my hand a booklet

[Mr. Picard.]

entitled "Objectives for Canadian Agriculture in 1943", containing a foreword by the Minister of Agriculture, from which I quote:

It is a challenging programme. It calls for larger quantities of foods than Canada has ever undertaken to produce before—particularly meats, dairy products, eggs, fresh fruits and vegetables. These foods are urgently required to meet Canada's needs for the civilian population, for the armed forces in Canada, for ships' stores, for the Red Cross, and for export commitments to Great Britain and others of the united nations.

Each year since the war began, farmers throughout Canada have contributed notably to the war effort by increasing their output of those food and fibre products called for.

Then the minister paid tribute to those who voluntarily entered that field, and went on to say that all those who joined the ranks of the farmers deserved the same credit.

Let us look for a moment at this programme and at the reasons why we should now consider agriculture in a different way from that in which we have considered it previously, and I quote not from the words of the minister but from the pamphlet drafted by his department concerning these objectives for agriculture in 1943:

When war came in September, 1939, there was an abundance of almost every kind of farm product. In the case of certain staple products there were large surpluses. Disposition of these at profitable prices had been a problem for some years. It was not surprising, therefore, that there should be little concern about food supplies.

Just in passing I may say that this might explain why a couple of years ago there was less interest shown by members of other parties or from other sections of the country, and fewer requests made that agricultural man-power be spared and left on the farms. To-day it is consoling to have people from all parts of Canada join with those of us who a few years ago stood almost alone in asking that special consideration be given agricultural needs in regard to mobilization. Then the report goes on:

With the invasion of France, Belgium, Holland, Denmark and Norway in the spring of 1940 the situation changed very considerably. Supplies hitherto available, particularly from Denmark, were cut off, but accumulated stocks of certain foods were large and these had to be worked off before additional supplies were required from overseas. Subsequently arrangements were made to ship larger quantities of certain products, notably bacon and cheese.

Canada was requested to increase her shipments in these different staple products. With these changes that took place agriculture and industry in Canada had to face a

new problem, a new situation, and everyone in Canada had to accept as his first consideration the necessity of producing more in the way of food. We even had to make sure there would be sufficient raw material for the manufacture of farm implements, which at one time we were tempted to lay aside, and we also faced the need of maintaining more men on our farms. The report goes on to say:

Full employment and a very marked increase in payrolls, together with the increased consumption resulting from having more men engaged in the armed services, caused a very marked increase to occur in domestic demand. The combination of these various factors had by the summer of 1942, reversed the position as far as farm products were concerned. Shortages instead of surpluses began to threaten in the case of a number of products and the necessity of restricting consumption became evident in some instances.

Later on the report says:

It was not until the changes in our food requirements and supply position occurring in 1942 directed attention to the whole agricultural position that the need for increased production in a much wider range of products became apparent.

The rapid change that occurred in the food situation in 1942 made it necessary to take stock of our position and to make plans for 1943 that would ensure maximum output.

Then looking more particularly at the part of the country which I know best, as I have noticed most hon. members are tempted to do at times, I find that in the acreage seeded to oats, for instance, Quebec last year stood fourth in the whole country, having more even than Manitoba and one other of the prairie provinces. When it comes to hay, Quebec had the largest production, and was even asked to increase it by another 7 per cent. In 1941, 3,871,000 acres of hay were under cultivation, whereas in 1943 the goal is 4,298,000.

We have the same situation in my province in several other fields. For instance, we see that this year in connection with hog production Quebec is asked for a 26 per cent increase over last year's production. When it comes to dairy production we find that the estimated milk requirement for 1943 is placed at 8,500,000,000 pounds, which represents an increase of approximately 1,000,000,000 pounds over 1942. In this respect Quebec is the second greatest producer, and is asked this year to raise her production by 10 per cent.

We are the third province in the production of eggs and poultry, and again we are asked to raise our production by about 22 per cent, and we are asked to increase by 46 per cent the production of poultry meat.

Then, going into the subject of potatoes, we find that Quebec is the largest producer. Despite the fact that it already has 172,700 acres under cultivation, it is asked to increase that area by ten per cent. This goes to show that the programme for this year in respect of all these different products will demand the work of more men than are usually required, with implements which are not more modern but have been used for two more years, and which cannot be replaced, and can be repaired only with great difficulty.

I should not like to speak at too great length respecting the hard life of the farmer—although some have done so. I know it is a hard life, not from personal experience, but because I have visited the people I represent. I know that in a climate such as we have in our part of Canada a great amount of energy is demanded, if our people are to carry on, and to face increased production when they are not sure of maintaining the same number of men they used to have for that type of production.

I should not like to change the rosy picture painted the other day by the hon. member for Brant (Mr. Wood), one which I thought was very touching, and which I admired. In his statement he expressed a great truth about the farmer when he said that everything, of course, in connection with agriculture depends upon

. . . our philosophy of life, and the importance people attach to certain things.

He said:

The best things of life are the things which money cannot buy.

Then he went on to say:

Many farmers keep up their homes and gardens and obtain from their farms an income which goes a long way to sustain them satisfactorily, and they get many pleasures there which it is impossible to get in the city. If one appreciates these finer and better things of life, an efficient farmer on good land has an advantage over the average city man.

But despite this rosy picture, the lot of the farmer, under the difficult conditions he faces in certain parts of the country, is not an easy one. For instance, we cannot compare acreages in western and eastern Canada, as some hon. members attempt to do, because the size of a farm does not necessarily indicate the number of men required to operate it.

I can assure the house my experience with the mobilization board has been that far from being too easy, as some hon. members have sought to insinuate, they have been just and

fair, and have taken into consideration all aspects of each case they have had under review, when men have been before them.

I have here, concerning the production of man-power, the text of—not a speech—a statement which was given over the radio.

Mr. DOUGLAS (Weyburn): Was the hon. member referring to me, when he said that insinuations had been made as to its being too easy?

Mr. PICARD: Yes.

Mr. DOUGLAS (Weyburn): I made no such insinuation. I merely pointed out that there was a great discrepancy between the number called in two different areas.

Mr. PICARD: I thank my hon. friend for his statement, and I am glad to hear he had no such intention. I thought, however, it was advisable to point out that this discrepancy in some way may have been accounted for by the fact that when the board examine a man who is called to service, they have very many things to take into consideration.

In the eastern part of Canada, as I said before, we must have consideration for the climate, to which I shall refer in greater detail in a moment. We must have consideration for the climate, the type of land, the implements with which they have to work, and their own ways of life. I might not approve of them, altogether; I might want them to be more modernized in certain ways. I would like them to be more modernized, and they are becoming so gradually. But yet we have to face the facts and recognize that with the implements they have, and the means they have at their disposal, they need more men for a given number of acres than are needed in other parts of Canada. I am glad, however, that the hon. member made his correction, so that my impression of what he said might not be the wrong one.

I was proceeding to refer to a statement made over the Canadian Broadcasting Corporation station at Montreal on April 5 during a programme entitled: "Rural Awakening." This is a lecture to farmers, explaining the conditions, and outlining the programme they have to face for the coming year. I shall have to translate, because, I did not have an opportunity to have the translation made:

> The farmers in Quebec, whose crops are often compared with those of farmers in other provinces, are operating under disadvantages which other parts of the country do not take into consideration often enough when production and other situations are compared.
>
> On March 31 of this year skating rinks were still operating in the open air, and the maples were still frozen. In May the temperature, which in other parts of Canada, chiefly Ontario, was gradually rising to a level favourable for vegetation, was still so low in the St. Lawrence valley, in the Lake St. John district, the Matapedia valley, and in all the northern country, that really it would be impossible to compare the results between these different districts. And it will remain about ten degrees lower than it is elsewhere, at all times, as it has in the past.

Then the agricultural expert goes on to say:

> These ten degrees are exactly the limit we would like to overcome, and the important item when we consider agricultural production. They are maintained throughout the summer, with the possible exception of July. A large number of farmers from Quebec have to operate at considerable disadvantage in all fields of their production, in the growth of their cereals, and the raising of their animals, which receive less vigorous nutrition in the fields because of the lack of late vegetation found there, and because the heat is not so favourable to their health.
>
> This is nobody's fault; but when comparisons on all points of agriculture are made it is most important not to forget that this disadvantage is also reflected in the need for men to operate these farms.

The expert goes on to say:

> The season is brief in two-thirds of the province, and the notable degree of heat in the summer has to be taken into account when the Quebec agricultural situation is compared with that of other parts of the country.

Some hon. members have suggested, but I am glad to see that other hon. members have objected to it, that we should put our old people and children or those who are unfit for military service to work on the farms and thus release able-bodied men for the army. Farmers of experience know that this experiment would not work out. I remember quite well when during an unemployment crisis in the coal mines of England a number of miners were brought out to western Canada to work on the prairie farms. A then member of the government, who is now a member of an independent international commission, who operated a large farm in the west, depicted to the house the situation that arose. Shortly after these men arrived they elected a committee and decided that they would work only union hours. They did not understand that the sun would not wait for them. They wanted to work as they were used to working. But they did not have the physical ability or the mental attitude toward farming to make a success of that work. For the most part they were found unsatisfactory. They were simply not fit and, although they may have tried hard, they could not be assimilated.

To those who think we can increase our production and at the same time reduce the number of farms in production I say, "Do you want us to hire ghosts and skeletons?" Do they think the aged, the lame, the blind and

the sick can do the work of the farm? This work requires men with sound bodies. This production is vital for Canada, and it is necessary that all bona fide farmers, all those who were raised on the farm or who have spent at least ninety per cent of their productive life on the farm, should be kept on the farm.

We are agreed as to the importance of the agricultural industry, and we are agreed also as to the importance of keeping experienced hands in agriculture. But there is one thing that has not been done to any great extent, namely, to compare the situation that faces the farmer during this war with the situation he had to face during the last war.

The system of mobilization as far as agriculture is concerned, was vastly different in 1917 from what it is to-day. At that time exemptions were granted, while during this war we grant deferments from service. This is a much fairer basis. Those doing essential work during this war find that the system works much better. People in my own constituency have reported to me that during the last war they had to go to considerable trouble, or even had to pay considerable sums of money to be sure that their sons would be exempted. During this war deferments are issued when a good case is put before the mobilization board. During the last war we had a system of tribunals, and in this connection I should like to quote from page 2190 of *Hansard* of June 11, 1917, where the then Prime Minister, Sir Robert Borden, was dealing with the setting up of the local tribunals. He quotes one section of the bill under consideration as follows:

6. (1) The minister may from time to time by proclamation or otherwise establish local tribunals at such places as he deems necessary and give each an appropriate designation.

He then went on to say:

Now, as to the constitution of these local tribunals, of whom shall they consist? That question raised a great deal of difficulty, because it was the desire of the government to adopt a method which would be absolutely above suspicion. We desire to make it clear that the personnel of the board was to be selected fairly and independently. Therefore we provided as follows:

(3) Each local tribunal shall consist of two members. One member shall be appointed by a board of selection to be established by joint resolution of the Senate and House of Commons; the other member shall be appointed by the following authority—

That member was appointed either by a judge of the magistrate's court, a county court judge or, in Quebec, a judge of the superior court. Sir Robert Borden continued:

The county court judge or district judge is to make the appointment. If there is no such judge within the area for which the tribunal is to be established, then one of the members of the tribunal is to be appointed by such county court judge as the minister shall designate for the purpose.

The present system during this war is to have a board made up of a judge of the high court of the province and two experts, one versed in matters industrial and the other versed in matters agricultural. The decisions of these boards are not the same as were made during the last war when exemptions were granted which permitted a man to work anywhere. It was stated in the same speech:

No certificate shall be conditional upon a person to whom it is granted continuing in or entering into employment under any specified employer, or in any specified place of establishment.

In those days, once an applicant was granted an exemption he could move around as he wished, but during this war deferments are issued and the man must stay on the farm where he will perform the most useful work. That system is better for the country, for agriculture, and I think it is more satisfactory for the men.

The opposition of farmers throughout the country to conscription or to military service is not a new thing. In order to give the point of view that existed during the last war I should like to quote from "The Crisis of Quebec, 1914-18", by Elizabeth H. Armstrong, which refers to a delegation of farmers from Ontario which attended at the House of Commons, in the following words:

The government undoubtedly hoped that this provision would dispose of the very vehement opposition to conscription which was prevalent among farmers, not only in Quebec, but also in Ontario, where a delegation of several thousand men marched to Ottawa and protested against the cancellation of exemptions.

The farmers of Canada, especially those of Quebec, know that during this war agriculture has been given better treatment in connection with mobilization. One hon. member has said that in this connection the government has uttered many words but has accomplished no deeds. I say that not only have words been spoken by the government, but there are deeds that have been accomplished. The instructions of the government have been carried out by the mobilization boards, and except in isolated cases I believe that justice has been rendered. I have nothing but the highest praise for the judges and their associates on the boards. Generally they are men of high calibre and have tried to be fair. The boards with which I have dealt in Quebec I feel have tried to be absolutely fair.

Reference has been made by the hon. member for Témiscouata (Mr. Pouliot) and others

to the fact that there are no agricultural experts in the Department of National Defence to pass upon these applications by farmers. I could hardly believe that although it had been stated in this house. I think it is elementary that men with a knowledge of farming should be passing on these cases. When further consideration is being given to the releasing of men from the army these cases should be reviewed by men who have had experience in the field of agriculture. I have here numerous files concerning cases in Quebec where possibly different decisions should have been rendered, but I shall not bother the committee with the details.

The hon. member for Bow River (Mr. Johnston) gave us a perfect story of a typical case, showing a deficiency in the operation of one branch of national defence which I think is badly in need of reform. But again I say that this is a matter which can easily be corrected, and it in no way weakens my argument that farmers in 1943 get a much better deal so far as mobilization is concerned than they did during the last war under another administration. They realize it too; those old enough to look back appreciate the difference in treatment.

The hon. member for Charlevoix-Saguenay (Mr. Dorion) said that the government supporters were ill at ease. I wish to assure him that I never felt better myself concerning this question. I have been out in my constituency nearly every week since the roads were opened, and I had the satisfactory experience two weeks ago of meeting the mayor of one of the important villages in my district. He was known as a Conservative, but he told me that at the next election not only was he going to vote in favour of the Liberal candidate, but he would go out and speak and canvas for him because of the better treatment which the farmers had received in this war as compared with the last.

Mr. GRAYDON: Better put him in a museum.

Mr. PICARD: Oh, no, they will be more numerous than you think. He stated to me that during the last war his father had two sons and had to pay substantial sums to get exemptions for them although they had a large tract of land to farm. "This year," he said, "I have three sons of military age, two of whom are married and have children and farms of their own. Their training period was indefinitely postponed so that they could continue to operate their farms. The youngest of these three sons is with me and because he is my only son on a large farm his training period is also indefinitely postponed. But even at that we are short-handed and we have to pool our energies to work the three farms, one of which is in a neighbouring village five miles from the two others. And all these postponements were granted in due course without disbursements, and solely upon producing the evidence of the size of our farms and the need of these men to work them. But two or three more farm hands are needed on the three farms to ensure their proper and efficient operation."

Let me in a few brief seconds compare the lot of the farmers in other respects in this war as compared with the last. Prices were higher in the last war but, although the prices of agricultural products might have been higher when there was no price control and no ceiling as there is this year, nevertheless the cost-of-living index soared to such a height for lack of control that the increased prices which the farmer got were all eaten up by the higher prices which he had to pay for the necessities of life. So that it was only a fictitious well-being for the farmer. The higher prices he got were more than spent to meet the higher cost of living. Then there was no organized system, no control of prices, and no selective service.

Therefore, Mr. Speaker, I think the government ought to be supported. The government's position should not be weakened by any vote which might imply a lack of confidence; for the farmers of my province, like the farmers throughout this country, have more reason to be satisfied with conditions during this war compared with conditions in the last war. The present question concerning the administration of a branch of one of the departments is not one which could induce me at any time to vote against the government in which I have more confidence than I would have in others that might be called to replace them. It is good that we have been given this opportunity to discuss this question at this moment, and I am sure that the government will realize the importance of the reform to be brought about in one branch of a department. From it will emerge the evidence, as I stated before, that the farming class has been better treated by the present administration during this war than it was treated during the last war. The government has shown an understanding of the pressing necessity for foodstuffs and recognizes that the farmer is doing a prime job in helping to win the war

Mr. E. G. HANSELL (Macleod): Mr. Speaker, I have listened with a good deal of interest to the debate to-day. Much has been said, and said with emphasis, and much of it has been of value. I can assure you that I am not going to exhaust my forty minutes, because the subject has been well covered. I wish to point out one or two simple things as I see them.

The present agricultural emergency resolves itself, as I see it, into two things. One is that agricultural leaves have been granted, but instructions evidently have been given that commanding officers have no authority to extend those leaves. That is my understanding of it. The other important point is that seeding is already late, and many of the agricultural leaves that were granted have been used up and the men have had to go back into the service before they were able to do very much on the farms because of the bad weather. That seems to be the problem at the moment. All that has been said to-day is of much value with respect to the man-power problem generally and as it applies particularly to agriculture in the coming year. The season is late, and every day's delay or every two days' delay may mean the difference between a crop of ten or fifteen bushels to the acre, and a crop of twenty-five or thirty bushels. That is how close we are running now.

Just about a week ago I was travelling around a little bit in the constituency of Wellington North, not far out of Toronto. The hon. member for that constituency is not here to-day. Perhaps he is out there, helping the farmers to put in their seed. But I doubt it, because when I was there the whole country looked like the delta of the Nile. No seeding had been done at all and the farmers were getting tremendously worried. That seems to be the immediate problem.

I would just add this. The minister is going to reply perhaps very soon now. Personally I do not wish to hear any apologies from him. I do not want him to rise and take a lot of time in the defence of his department or in defence of the government.

An hon. MEMBER: The last speaker did that.

Mr. HANSELL: Yes; the last speaker did that. What I want, and what I think the house wants and what the country wants is a straightforward announcement of what the government is going to do now in order to ensure that crops will be put in without delay and be harvested in the fall. I notice that the minister has his spectacles on. His desk is loaded with papers. His parliamentary assistant is sitting right behind him with another raft of notes on his desk. I am not concerned about the spectacles or the notes.

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, I will not detain the house very long.

An. hon. MEMBER: Hear, hear.

Mr. MITCHELL: I think my hon. friend who says "hear, hear," will agree that the man-power question, while due regard must be had to the part which agriculture is playing in this war, is something that affects the industrial structure, the fishing industry, and the armed forces as well as the farming community. I did hope that this debate might have been deferred until I had been given an opportunity—

An hon. MEMBER: Until after seeding.

Mr. MITCHELL: I will come to seeding in a minute. I was going to say I had hoped that this debate would have been deferred until the whole man-power policy of the government could be reviewed by the House of Commons, because in my opinion that is the sound and logical way of facing up to the man-power problem as it exists in Canada to-day.

I wish to be frank with some of my hon. friends. Under the War Measures Act we cannot change the weather, unfortunately, but I do pay tribute to the farmers of the country, and I would remind the house that while we have been talking to-day the farmers have been planting the seeds. An hon. member asks, what are we going to do now? I will tell him what the farmers in his own province have done. Eighty-three per cent of the wheat in Alberta is already planted, according to a telegraphic report of June 1. May I say to my hon. friends from Saskatchewan that the whole of their crop has been planted. I say, to the credit of the farmers of Saskatchewan, that notwithstanding climatic conditions, notwithstanding that, as I am given to understand, they had approximately three million acres of wheat that had not been threshed last year, they measured up to their responsibility and until the fall, I am informed by the deputy minister of agriculture of Saskatchewan, they think the problem is well under the bridge. These are facts and not opinions. I am frank to admit that I do not understand as much about agriculture in its practical operation as some of the members who spoke this afternoon, but I do know, and I think the country should be told, what an admirable contribution

has been made by the farmers in every province of Canada to the war effort since the outbreak of hostilities.

I often used to say to my friends in the labour movement that if Hitler could be defeated by speeches and typewriters there would not have been any war, and I think it is a fair thing to say that you cannot plant wheat by making speeches. The farmers in the agricultural provinces have proved to the members of this House of Commons that while we have talked they have got on with the job, much to their undying credit.

I might refer now to the provinces that were discussed this afternoon—Alberta, Saskatchewan, Manitoba and largely Quebec.

An hon. MEMBER: And Ontario.

Mr. MITCHELL: Not much has been said about Ontario, but I shall come to that province. In the province of Quebec they, too, have been in difficulties owing to weather conditions. It has been cold and wet, and the report with reference to the province of Quebec is to the effect that those crops which are better because of wet conditions have improved. As a matter of fact, with their permit system in operation, all the persons who have been given temporary permits to go into industry during the winter season, when things are a little slack on the farms, have not yet been returned to agriculture, and the figures are rather illuminating. There were 2,127 temporary permits granted to go into other lines of work and vocations, and of that total, to date 620 have been cancelled; 1,057 have gone back to the farms voluntarily, and 879 permits have not been cancelled. So much for the province of Quebec.

Perhaps I should say a word with regard to cooperation between the provinces and the dominion. When people talk about manpower muddle as regards agriculture, it is fair to say that they do not know what they are talking about. The hon. member for Weyburn (Mr. Douglas) put it clearly this afternoon when he said that it was much easier to state a problem than to solve it.

Mr. LOCKHART: Would the minister give the Ontario figures, so as to complete the record?

Mr. MITCHELL: I should be grateful if my hon. friend would not interrupt my train of thought at the moment. I am speaking extemporaneously.

Mr. GRAYDON: He does not interrupt often.

Mr. MITCHELL: I appreciate that. He is in the next constituency to mine.

Mr. GRAYDON: Is that a compliment to him?

Mr. MITCHELL: It is a compliment to him. As I was saying, the hon. member for Weyburn remarked that it was much easier to state a problem than to solve it, and I think it is fair to say that in the evolutionary development of the man-power situation in this war the Canadian people will be found to have measured up with any other nation among the united nations. Make no mistake about that.

An hon. MEMBER: In spite of the government.

Mr. MITCHELL: My hon. friend, of course, for political reasons would have to say, in spite of the government. I listened to him this afternoon and he was not quite as honest as I was, though I may have been out of the house part of the time he was speaking. However, like myself, I do not think he is an expert on agriculture. He said he admitted it, and I am glad he did. Let me say this. In cooperation with the provinces, the farmers' organizations and the federal government, I believe that everything that is humanly possible to enable us to deal adequately with the man-power problem, so far as the farms are concerned, has been done.

My hon. friend who comes from the province of Quebec moved this resolution, and I would point out to him that at this very moment there are 900 local committees working in complete harmony with the government of Quebec and the federal government to meet the problem. An hon. member speaks of Ontario. That province, let me say, through the farm organizations, and in every other way, has been working in complete harmony with us. Take the constituency represented by my hon. friend the leader of the opposition (Mr. Graydon). I have lived for many years close to it and I know it is a representative farming community of the best type in Ontario. The agricultural war committee is made up of representative farmers in the county, and they list no requirements for hired men by the year, estimating that 450 seasonal workers will be required. This estimate was made as late as May 4.

Mr. GRAYDON: Who made that estimate.

Mr. MITCHELL: This is the committee of local farmers. These are known as victory committees.

Mr. GRAYDON: The minister had better give me the names of those farmers later.

Mr. MITCHELL: I shall be glad to give the names of the committee. I could go through all the provinces in a similar manner. I have been careful to canvass the situation in the different provinces with ministers of agriculture, and I wish to be frank with the house, because, after all, wisdom is not all on this side, and I deeply appreciate some of the suggestions made by my hon. friends across the floor this afternoon.

Mr. GRAYDON: Better be careful of these admissions.

Mr. MITCHELL: Oh, I think we are all grown up men. We can understand that.

Mr. KNOWLES: Will the minister put on the record the figures for other provinces, such as Manitoba?

Mr. MITCHELL: I think I said that when we come to the main debate I will do that. I shall have more time. Of course I have to stay here as long as my hon. friends want me. As I said, I was speaking extemporaneously, and I did not mean to make a long statement this evening, but only to inform hon. members from various provinces who have spoken, of the condition of the crops in those various provinces, and what has been done.

This is from the minister of agriculture of British Columbia:

This department desires to express its appreciation of the early consummation of the dominion-provincial farm labour agreements which we feel sure will prove helpful to agriculture generally. Result seeding should be made possible without great hardship. Compulsory transfer orders should when successfully carried out be of tremendous assistance and would respectfully suggest that mobilization regulations be definitely clarified in order to further agricultural production. Policy generally should be effective and believe that failing its adoption production could not have been maintained.

Mr. GRAYDON: What is the date of that telegram?

Mr. MITCHELL: This is a report to me on June 1. It may have come in a few days previously; I do not know.

Then, from Alberta, the provincial minister of agriculture reports that the dominion-provincial agreement will be helpful and that his department is prepared to give the fullest co-operation to make the joint programme a success. He does suggest that the effectiveness of the programme might have been considerably increased had the farm labour agreement been negotiated and approved at an earlier date. Reference is made in his reply to the additional task which farmers had this spring in completing threshing which had to be left over from last fall.

I think I quoted a telegraphic statement of the conditions of the crops in Alberta, which apparently is a little more hopeful than even this wire from the minister.

Then, from Saskatchewan:

Early completion dominion-provincial farm labour agreement has resulted in effective cooperation between dominion-provincial departments concerned. Seeding crop well advanced and will be completed with minimum delay but some individual hardship. Compulsory transfer orders have had limited value so far but should become more effective as season progresses. Clarification of mobilization regulations has greatly assisted agriculture. Postponements to agricultural workers granted since February first major factor in seeding crops on farms affected. I believe present policy will result in labour being generally available for ordinary year around farm work but severe shortage at harvest time possible. Early plans for labour supply at that time imperative.

May I say to my hon. friends from Saskatchewan that I think their victory committees are doing a magnificent job there in the allocation of farm labour. I have always believed that the best form of government and the best organization is that which is closest to the people, and it is to the credit of our farmers' organizations that in every province of the dominion, when we ask for their cooperation we have got it. The seeding reports which I have received are a vindication of the work which in large measure has been undertaken by these victory committees in the province of Saskatchewan.

From Manitoba, the provincial minister of agriculture states that Manitoba farmers are unable to meet present competition for labour and pay current wages from farm revenues. He describes the farm help problem in Manitoba as an all-year round one, and suggests that more experienced help must be transferred back to agriculture from other industries. The minister makes the observation that the farm labour agreement is a step in the right direction and has resulted in the coordinaton of effort to secure farm help. He expresses appreciation for the cooperation received from the labour department.

As regards Ontario, the minister of agriculture for Ontario writes that the dominion-provincial agreements will be helpful in solving the farm labour problem, but points out that, according to estimates secured through the offices of the agricultural representatives, there is still a very great shortage of seasonal and year-round help. The minister states it is his conviction that there must be a return to the farms of much of the experienced help which has migrated into industry and the home defence units. He is not hopeful that the present move for the compulsory transfer

of men back to agriculture will be of substantial benefit. He is of the opinion that some plan for subsidizing wages be offered to experienced farmers now in industry who might be brought back to agriculture.

The premier of Quebec stated in his wire that the "dominion-provincial agreement will be of great help to solve the Quebec farm labour problem." He mentions that late seeding has caused some difficulties, but these are being overcome. The premier believes that additional benefit might be secured through a further clarification of mobilization regulations so far as farm workers are concerned. He says that full use will be made of student labour which can be mobilized for farm work and advocates the temporary release of farmers' sons as well as experienced farm workers now taking military training.

As to New Brunswick, the dominion-provincial farm labour programme in New Brunswick is making good progress. A provincial director of the programme has been appointed and the agricultural field men for the province have been active with organization work. Close cooperation is being secured from the employment and selective service offices in New Brunswick.

As regards Nova Scotia, the provincial minister of agriculture regards the farm labour situation as critical. He advocates early release of farm labour now employed in other industry and asks that certain classes of men in the armed forces be released for temporary periods to assist with seeding and harvest. The use of Italian prisoners of war and conscientious objectors is recommended. The minister states that there has been an improvement in the administration of the mobilization regulations as they affect agricultural workers, but believes there is still room for further improvement. He offers the fullest cooperation of his department in the joint undertaking of the dominion and the province to meet the problem of farm labour.

The premier of Prince Edward Island suggests that the farm labour programme was organized too late for his province, but at the same time adds that the dominion-provincial agreement has been helpful in meeting the labour shortage on the farms. The premier states that as a result of the increased production of live stock and live-stock products the need for regular experienced help is a most diffcult one for farmers. He is sceptical about the effectiveness of the recent compulsory labour transfer orders in providing much assistance to agriculture. The reason cited for this conclusion is that little relief can be expected from directing inexperienced help to farms. The clarification of the mobilization regulations has been of assistance. The premier observes that there is much dissatisfaction among farm labourers on account of the difference in wages paid in industry compared with those of agriculture.

A lot of ground has been covered in the debate this afternoon and evening. Much of it spills over into the Department of National Defence, and much of it, of course, is out of order in relation to the resolution which is before the house at the present time.

I can assure my hon. friends that when the whole man-power problem is discussed I shall look for their comments and, may I say, criticisms, for, after all is said and done, the essence of democracy is criticism. Without criticism democracy could not exist.

Further, may I point out that this nation is not the only one of the united nations—indeed, I may include the axis powers—which is at the moment facing a man-power problem. When that problem is discussed by the house I hope to be able to indicate the position in which Germany finds itself at the moment and to compare it with our own. Much the same conditions prevail in the United States and Great Britain. I am in fact convinced of this, that if we did not have a shortage of men for the army, the navy, the air force, agriculture, industry, the mines, the base metals, and lumbering, this country would not be doing its duty in the present grave emergency. The fact that we have a shortage is a reflection of the contribution of this dominion on behalf of the united nations in the present struggle.

In the years to come I for one will look back with pride on the contribution made by the people of this dominion. We have had almost a revolution in the application of our man-power policies as they affect the Canadian people. Whoever thought we would live to see the day when well nigh all the man-power and woman-power of this country would pass through the employment service; that we would reach the point where in the great majority of cases we deny the individual the right to advertise in the newspapers for a job? That in itself is a revolution among a democratic people. Whoever thought we would live to see the day when a man would have to give seven days' notice before he could quit a job and when an employer would have to give seven days' notice before he could discharge a man? I know that in Germany and other countries where dictatorships exist, these things are taken as matters of course, but these are new policies to the freedom-loving people of this dominion, who I think are without a peer in the world when it comes to an appreciation of the basic principles of

freedom. Whoever thought that in the short space of six months these people would willingly—and I speak now in a broad way, of course—accept these changes? Of course there will be exceptions to that rule; we will get letters from people who think we have gone too far, but let us not forget that simply reading a letter in this House of Commons does not make it true. It is the easiest thing in the world to take the word of someone else before due investigation is made.

Some hon. gentlemen have expressed criticism—perhaps rightly so; I do not know—in regard to the application of the call-up for compulsory military training. I think when the figures are brought to their attention, at least since the latest policies have gone into operation, there will be very little criticism offered. But let me point out one fact. I would not want it to be said about any administration over which I presided that any vocation, any form of employment, could be made a hideaway, as it were, for people who should be meeting their obligations to the country. So that I say to hon. members: When you get these letters, at least give us a chance, because I think, speaking in a broad way, the work of these mobilization boards has constantly improved. As one hon. member from near Quebec city said this afternoon, they are an improvement over the boards which functioned during the last war. I do not say that with any desire to criticize the boards that functioned at that time, because in connection with many of our policies we have built on the mistakes of the past. That is the logical thing to do. I think our conception of the length of this war has been beclouded by the length of the last war. I am one of those who still think this war is going to last a long time. I am one of those who still think much more direction will have to be given our people before the man-power problem of this country is finally dealt with in an efficient way. Last fall it was my good fortune to be in Britain. Mr. Bevin, the minister of labour there, has, I suppose, even more power on paper than I have on paper, but notwithstanding that power ninety-five per cent of the movement of men and women in industry has been on a voluntary basis and compulsion has been necessary only in regard to the remaining five per cent.

Mr. COLDWELL: Could the minister tell us how that result was achieved? Was it not through close cooperation with the labour organizations?

Mr. MITCHELL: Since I have had charge of the direction of selective service, every move I have made has been in consultation with representatives of the employers and the workers of this country, through the national selective service advisory board. I do not think it serves any good purpose to say that we do not consult anyone. I speak for my own department, of course, but in every step I have made I have endeavoured to consult with the representatives of both employers and employees. I think there are well over three hundred representatives of these two very necessary parts of our industrial and agricultural structure serving on various boards under my jurisdiction, and I have always found it far more satisfactory to get their sage advice before moving in the direction in which we would like to move.

Mr. KNOWLES: Has any use been made of the trade unions by selective service, where transfers have to be made?

Mr. MITCHELL: I think we are very close to the trade unions; probably my hon. friend knows that.

Mr. COLDWELL: That is what we do not know.

Mr. MITCHELL: I have just stated that any move is taken after consultation. I should say, however, that sometimes you must move with expedition, in an emergency; sometimes you cannot wait. If my hon. friend were sitting here instead of there, perhaps he would be a little more rigorous than I have been. However, we have endeavoured to obtain the friendly advice of the trade unions in the operation of selective service. Sometimes it is rather difficult to give advice when occasionally you must be a couple of steps ahead of your own people, but to the credit of both great partners in industry I think it can be said that they have measured up to their responsibilities in connection with the selective service programme of the federal government, and I do not think it would be fair if I did not pay them this tribute.

Now, Mr. Speaker, I think I have pretty well covered all I wish to say at the moment, though I could say more. Something has been said about the loss of production. I could mention what is occurring in the various provinces, and perhaps it would be as well if I did.

Mr. LOCKHART: Having given the figures in connection with one province, the minister must have the figures for the other provinces. Could we not have them also? It would take only a moment to put them on record.

Mr. MITCHELL: I think my hon. friend will sympathize with me, because in the first place I was given no notice that this debate was coming on this afternoon.

Mr. LOCKHART: But the minister has the figures for one province.

Mr. MITCHELL: Yes; I collected a few things, but later I shall have a complete man-power statement to make. I think it was the leader of the opposition who asked that this statement be forthcoming.

Mr. GRAYDON: I certainly did.

Mr. MITCHELL: It will be given when I have an opportunity to do so. I am in the hands of the house; I have not been able to get on as soon as I should have liked, but my hon. friend may rest assured that I shall give any figures I can get.

Mr. LOCKHART: The minister has the figures for one province.

Mr. MITCHELL: I have no other figures before me. I am trying to get these figures up to the latest possible date, because the later they are the better. This statement in regard to provinces shows that in Prince Edward Island the percentage of cows milking to total numbers showed a marked increase in the month of March. The number of calves born was somewhat higher than that of the same month last year. In Nova Scotia more cows were reported on farms in the month of March. In New Brunswick the production of milk exceeded that of March. In Quebec there was no apparent change in the number of cows available for milking purposes. In Ontario a subsidy was offered for butter, and there has been increased milk production. Many farmers have been forced to change their plans on account of the labour shortage. In Manitoba the total production of milk increased. In Saskatchewan more milk was produced in March than in the same month of 1942. In Alberta cow numbers showed a substantial advance in March over those of the same month last year, and more cows were freshened for milking purposes.

And so, Mr. Speaker, I believe I have more or less effectively—at least I hope I have—answered the questions asked by my hon. friends this afternoon. The hon. member for Vegreville (Mr. Hlynka) said the forms necessary to fill out in connection with the compulsory call-up for military service are difficult to understand. I believe when I give the latest figures respecting the number of postponements, particularly in connection with agriculture, he will not find them so difficult.

I think I need not say more at the present time, except this: This has been a debate respecting agriculture, and on behalf of the House of Commons I should like to pay tribute to the cooperation, the hard work and, in many instances, the sacrifice of the farmers in this great dominion.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, may I say a word at this stage in the debate respecting our position in connection with this motion for the adjournment of the house. We have been attempting to follow, as best we can, the procedure laid down—true, in an informal way, but nevertheless laid down—under which we would deal, department after department, with the war appropriation bill. There may have been times when there have been deviations from that informal arrangement. Nevertheless it has seemed to me that the most important measure before the house at this session has been, without any shadow of a doubt, the war appropriation bill. This party has felt that the man-power problem, in its relation to the war appropriation measure, was perhaps the major one to be faced at this time. It was that thought which prompted my suggesting to the Prime Minister (Mr. Mackenzie King) last week that, after the estimates of the three armed services had been discussed we should put aside our other business and proceed at once with the estimates of the Department of Labour, thereby affording ourselves an opportunity to come to grips with the man-power problem in Canada, a problem which we may justifiably regard as the chief one facing us to-day.

I was rather surprised this afternoon when I learned of the motion which, first of all, would deal with the man-power problem in a piecemeal fashion and, second, would have the inevitable result of delaying for another day the discussion of the estimates of the Minister of Labour (Mr. Mitchell). For these reasons I point out to the house that in my opinion we would have been better as a House of Commons, urgent as this matter is, to have at least dealt with it on a broad front, and a front which would have brought some results at the conclusion of debate. I believe the problem of man-power cannot be divided into departments. What has been done this afternoon has been to take one department, regardless of the whole.

While sitting in my seat this afternoon, listening to debate, I could not help wondering how much farm help we were giving our farmers in Canada through the talk to which

we have listened during the afternoon and evening. To my mind there is only one way in which we can help the farmers with their labour problems, and that is to give them help.

I do not agree with the minister, nor do I agree with some other hon. members who spoke this afternoon who seem to hold the view that the farmer does not need help. Those of us coming from agricultural constituencies know that he does.

Mr. MITCHELL: I do not think my hon. friend heard me say that the farmer does not need help.

Mr. GRAYDON: The minister said a number of things to-night when he was speaking; but may I say to the minister that he left the definite impression that things were not so very bad, so far as agriculture is concerned. If he will say to-night that things are good, in connection with the agricultural help situation, then I would like him to say it.

Mr. MITCHELL: I thought I made it plain to my hon. friend. I had not thought I created the impression he has indicated. If I did, then I certainly did not intend to. A man would be foolish to do that, under present circumstances. But I do say what I have said before, offering it as a tribute with all the sincerity in my being, and in the knowledge that we are all cooperating together, that notwithstanding the serious problem we are up against we are producing more than ever was produced in the history of this country. Surely that is to the credit of the farmers. I am frank to admit that in the very nature of things, when you have close to a couple of million people in the armed forces and in industry, you cannot have as many people on the farms. That is an actual fact—and the same condition exists in every other country in the world.

Mr. GRAYDON: I am glad to have the minister correct what I thought was the impression he had created in connection with the agricultural man-power policy. But he read very carefully telegrams and reports from various governmental departments in the provinces. Certainly, so far as my knowledge goes, the problem indicated in those reports in connection with man-power seemed to be a very simple one compared with the problem which is presented to members of parliament from time to time.

I say to the minister that he will find prevalent in the agricultural sections of the dominion a condition such as has never existed at any previous time in our history. He will find that there never before has been a time when farmers, their wives and families were so completely played out with hard work as they are to-day. I make that statement from personal experience because, as the minister knows, I have gone among them. I do not think I have ever seen the farming people more tired than they are to-day, and that condition has arisen largely because they have not been able to get the help necessary to operate their farms.

Mr. MITCHELL: I agree with the hon. member, and I think it would be safe to say the same about the men and women engaged in industry.

Mr. GRAYDON: We are not dealing with industry just now, but I would be glad to agree with his statement about the people engaged in industry. But when we talk about emergent conditions, and when we are confronted with a motion for adjournment to discuss a matter of urgent public importance, then I say that the problem of farm help was urgent months ago. It was urgent weeks ago; it was urgent yesterday; it is urgent to-day, and unless government policy is changed, it will be urgent to-morrow and in the months ahead. I should like to point out to those who are responsible for bringing up this motion that, so far as urgency is concerned, this motion is both too little and too late.

Mr. LALONDE: Why did you not start something before?

Mr. GRAYDON: My hon. friend made a very good speech and I am doing my best to keep up with him. There is no doubt that this question is urgent, but I repeat that it has been urgent for some time. In my opinion the policy of the government with respect to national selective service must be changed. This is not the time in the interests of the farmer to bring up this matter. I say that plainly and clearly. If I thought that we as a party could do something this afternoon or this evening for the farmer by simply talking about this matter, then we might take a different stand. But we are not doing anything by simply moving the adjournment of the house. During the debate on the estimates of the minister we shall have a chance at least to fight this thing through. I wish to say to the minister that, so far as our group is concerned, we have made some preparation to fight this thing through.

Mr. NOSEWORTHY: Where will you get?

Mr. GRAYDON: You have not got very far, but we still have hopes. I say to the ministry that we wish to come to grips with the whole question of the man-power policy.

We want to do that at as early a date as possible, and that is why we have not tried this afternoon to delay the house. I hope the house will understand our reasons for taking this action.

There is no question that the policy of the government with respect to man-power has been muddled, misconceived and misfitted; but I should like to reserve my remarks with respect to that for a more suitable time when the whole problem, integrated as it is with industry and the armed forces, can be properly discussed. I hope that we will have considerable support from the house in that connection.

This motion provides only a palliative for agriculture, and I do not think we want to spend much time on palliatives. I should have liked to see the hon. member for Témiscouata (Mr. Pouliot) put some teeth into this, as we hope to put teeth into it when we deal with man-power. I should have liked to see him rise in his place and do something more than move a milk-and-water resolution such as this. I should have liked to see the hon. member come through with a proper national selective service scheme, one which would have brought labour to the farms of Canada and not bring up something which has resulted simply in a lengthy debate which can give no help whatever to the farmers generally.

Mr. POULIOT: At the beginning of the session I sent to each hon. member an article which I had written on national selective service, and if the hon. member did not have his copy translated, it is his own fault.

Mr. GRAYDON: I think I have received everything the hon. member has sent me, and I thank him for his courtesy. I have given it close study and attention, and part of my remarks to-night are based on the study I have given to matters of this kind in general.

In closing, I wish to say to the government to beware of the existing situation. There are reasons behind the movement which has taken place this afternoon. One of them is that the government have failed to deal manfully with the man-power problem. We as a party take a back seat to no one, whether he has moved this or supported it, in our desire to see the farmers of Canada provided with adequate labour in the months that lie ahead. That is part of our policy. We may differ in the method of bringing it about. We hope to take some action that will bring results and give help to the farmers which I am doubtful will be given by talking in the House of Commons for a whole day and delaying a debate which we are waiting for and which we hope to be ready for when the time comes.

[Mr. Graydon.]

Mr. J. SASSEVILLE ROY (Gaspé) (Translation): Mr. Speaker, with your permission, I shall, at the outset, congratulate the hon. member for Témiscouata (Mr. Pouliot) on the timely action he has taken this afternoon, in moving the adjournment of the house for the discussion of the serious problem which agriculture is facing on account of the present labour shortage. This is not the first occasion on which the hon. member for Témiscouata has rendered a service to his country. During this session he has made numerous remarks and speeches which have been quite effective but which could have been still more helpful, had the oligarchy which rules the country at this time been more willing to accept the good suggestions he offered. As I said, I congratulate him on his action and I hope it will bring about very good results.

The leader of the opposition (Mr. Graydon) has just deprecated the action of the hon. member for Témiscouata. His criticism surprises me very much. If agriculture is in such a serious plight as has been stated, and it must be true, if the hon. members of this house, whatever their political affiliations may be, whether they be Liberal Conservative, Cooperative Commonwealth Federation, or Social Credit, who took part in the debate and represent various rural constituencies all over the country are aware of local conditions. I believe it was quite helpful that such representations should have been made to the government, in view of the fact that the seeding season is now so far advanced, as was stated this afternoon by the hon. member for Labelle, who I notice is now smiling. If the government would heed the representations that have been made by the hon. members and disregard the concerted oligarchy this government represents, and which will take advice from no one, the nation would perhaps not be so often confronted with problems as alarming as the one which it is now facing, the famine problem. In the light of what I have read in the newspapers and heard from hon. members of this house, I feel that if common sense prevailed, as well as a determination to do the right thing, with a view to serving the country efficiently and helping our allies in the war, if such a spirit moved all cabinet members the useful suggestions that were made would immediately have produced good results, and the leader of the opposition would not have referred to the futility or the uselessness of the present debate.

There is a labour shortage in Canadian agriculture. That is unquestionable. The numerous letters we receive from farmers

who ask us to endeavour to secure the release of their sons from military service are proof of this. There are a great many others. I have here a copy of the June 1, 1943, edition of the Montreal newspaper *La Presse* in which is reported a speech delivered in New York on that date by the hon. the Minister of Fisheries (Mr. Bertrand) of whom I caught a glimpse as he entered the house and to whom I am glad to extend my greetings. He discussed the problem brought about by the labour shortage, while dealing with fisheries. I wish to quote the following passage from the newspaper report I mentioned a few moments ago:

New York, June 1 (C.P.)—Owing to the labour shortage fish production in Canada this year may be reduced to 750,000,000 pounds as compared with 923,000,000 pounds in 1941, it was stated here to-day by the Hon. Ernest Bertrand, Minister of Fisheries in Canada.

Mr. Speaker, I believe I am in order in dealing with fisheries and fish, because the motive which prompted the motion introduced this afternoon, namely the labour shortage in agriculture, is indeed based on the shortage of foodstuffs in this country. Fisheries automatically come up alongside agriculture in this debate because foodstuffs are also derived from them. Further on, the honourable the Minister of Fisheries referred to the lack of young men and the labour shortage in the fishing industry. He said:

On the other hand, the problem is serious, because we have lost a considerable number of our young and most efficient fishermen who have enlisted in the army and the navy. Many others are employed in war plants, and quite a number of small fishing boats have been chartered for war patrol duties. On one side, there is an enormous demand, and on the other, a shortage of labour and equipment.

According to a statement of the hon. Minister of Fisheries, there is likely to be a decrease in the fish production this year, due to a scarcity of man-power attributable, so he states, to the fact that men have gone to the war industries or have been conscripted into the army.

The hon. Minister of Labour (Mr. Mitchell) proved this fact a while ago, but I doubt that this was the best argument in favour of the point he was attemping to make. Answering criticisms of the government policy, especially National War Services, of which I shall have a word to say later, the hon. Minister of Labour stated that the call-up of men for the army was not the only reason for the present scarcity of man-power. A large number of farmers, farmers' sons and farm employees, during the relatively slack winter season, asked permission to work in the war industries and have neglected to return to the farm. While I am on this question of work in the war industries, I shall point out that these men have not yet been released from their jobs, which they still hold, as suggested by the statement of the hon. minister. If they have not yet been sent on the farm or elsewhere, it is of course because industry needs them. Canada is expected to be alone responsible for winning the war. A sufficient number of men had to be trained and a fairly large number had to be sent overseas so as to be in a position to win the war by themselves. Moreover, Canada was to be the arsenal and the granary of all countries and supply allied nations with all they require in the way of munitions and armaments in order to win the war. At the same time, Canada was to feed the entire population of Great Britain because they are waging war and have suffered from air raids. It has also just been realized—and I wish to stress the point—that Canada should also feed the starving people of India and of China. The hon. minister replied to the hon. member for Lethbridge (Mr. Blackmore) that rationing was established not because of a shortage of potatoes but because we must think of China and remember that others go without. I would point out to the hon. Minister of Labour that although China had known poverty, hardship and famine prior to 1941, until then neither the minister nor the present government had ever thought of sending our food surpluses to China.

Never has the hon. minister or the present cabinet thought of sending there the food surpluses that were glutting our markets even in the west, and this applies to our butter which was so abundant, that its marketing offered quite a serious challenge to the administration a few years ago. No one has ever thought of sending our food surpluses to China, a country which was as much in need then as it is to-day. It is only after Canada, England and the United States declared war on Japan that this thought came to our minds. That is why such arguments make little impression and do not always carry conviction.

I revert to the colossal undertaking which consists in playing the game of our ambitious industrialists, by increasing production as well as profits, as we know, and by organizing a huge army, of a size comparable to that of vastly more populous countries; the hon. minister himself foresaw, as he stated in the course of last year's debate on bill 80, the conscription bill so-called, that deficiencies would develop in certain fields, unless we were very careful.

Still another minister was of the same opinion. I mean the then Minister of National

War Services, Mr. Thorson, who is now replaced by the hon. Minister of Labour to a certain extent. He stated, as reported in *Hansard* for 1942:

> Furthermore, our war industry programme contemplates and involves heavy man-power requirements. So does the programme for essential agricultural production. I shall not deal in detail with either of these programmes, except to say that the man-power necessary for their performance cannot be withdrawn from the essential purposes of war without hurting those purposes.
>
> It is the duty of the government to allocate man-power in accordance with the needs of the war purposes of Canada and the war objectives that I have mentioned.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

DOCTOR EDUARD BENES

Address of His Excellency Doctor Eduard Benes, President of Czechoslovakia, to members of the Senate and of the House of Commons, in the Railway Committee room, House of Commons, Ottawa, Thursday, June 3, 1943, at 12 noon.

Right Hon. W. L. MACKENZIE KING (Prime Minister): We in Canada are indeed greatly honoured to have in our country today His Excellency Doctor Eduard Benes, the President of the Republic of Czechoslovakia. I wish at once to extend to Doctor Benes the warmest of welcomes on behalf of the government, the parliament and the people of Canada. Doctor Benes is such a well-known international figure and has played such a prominent part in world events over the past three decades that he does not come to us in any sense a stranger, and needs no introduction to any democratic audience in any part of the world.

I should like to say to Doctor Benes what I said in the House of Commons yesterday, that he will have noticed a very close sympathy between the people of Canada and the people of the Czechoslovak republic. The agreement at Munich, which had the effect of partitioning his country and caused great sacrifices on the part of his people, sacrifices made, it was thought at the time, in the interests of the whole of Europe but which have since proved to have been on behalf of the whole world—that agreement was never recognized by Canada and is not recognized by Canada today.

We share in regard to Czechoslovakia the view of the British government that the Munich agreement has ceased to exist as a factor either in present or post-war relations.

We look forward to the day, which we hope is coming speedily, when the Czechoslovak republic in its entirety will again be restored to its full independence.

One expression, Mr. President, which we have sought to give to our feelings of close relationship with the people and government of Czechoslovakia has been to welcome to Canada Doctor Frantisek Pavlasek, who is seated to my left, as minister of the Republic of Czechoslovakia, and to appoint in London a minister from Canada to the country of which you are presently the head. I would take advantage of this opportunity to say how greatly Doctor Pavlasek as minister of Czechoslovakia has endeared himself to all those who have had the privilege of making his acquaintance while here. As you yourself told me, Mr. President, when we recently talked together in Washington, Doctor Pavlasek was a close friend of the founder of your great republic, Masaryk, the country of which you are a co-founder and that he was one of the most cultured gentlemen in Czechoslovakia. We here have come to appreciate through the personality of Doctor Pavlasek and in his public utterances not only much of the culture of Czechoslovakia but also the high ideals of your country.

I am not going to take time this morning to say more than one other word by way of welcome to Doctor Benes. It is that we welcome him not only as representing the brave people of Czechoslovakia and the great services they have rendered to democracy but we welcome him also and in great measure at this moment on account of himself. He has a career of public service that has been paralleled by very few men in the world's history. As all present know he was co-founder of the Republic of Czechoslovakia. He was the first Foreign Minister of that country and has been its President for many years. He bore the heaviest responsibilities throughout the trying period of the Munich discussions and the years which followed, a time when his country was passing through a terrible ordeal. He did all within his power to keep united the forces of freedom in his own and other lands. It is of interest to know that he came at that very time to America and was for a very short period associated with the university of Chicago. He found there a sphere from which as President in exile from his country he might be able to direct its affairs in its titanic struggle for freedom. He has, as you know, been responsible for the organization of the different forces of Czechoslovakia. I should like to say to him how much the people of Canada in common with people everywhere who love liberty appreciate the

great services which Czechoslovakia rendered to the cause of freedom in the last great war and the great services she has never ceased to render to the cause of freedom since and in the present war.

Czechoslovakia has had to bear some of the heaviest burdens any country has ever been called upon to endure by way of sacrifice for a great cause. These she bore at the time of Munich. These she has borne ever since. These she is bearing heroically to-day. Notwithstanding that at present the country is occupied by the enemy, her forces both within Czechoslovakia and in different parts of the world, are fighting in the cause of freedom with the allied and united nations of the world. That is a great tradition for a nation and we know that that heroic effort is going to win its due reward.

I need not touch on other aspects of Doctor Benes' career, of his presidency of the Assembly of League of Nations and of course his leadership at the present time of his government in exile. From the beginning and all through his life he has been the exponent of high and noble ideals and of those great aims, purposes and practical measures which seek not only the higher development of the peoples of his own country but also fraternity and unity between all nations.

When I was recently at Washington I asked Doctor Benes how it was that he came to venture on some of the prophecies that he had made, prophecies which are giving much in the way of hope to the world at this time. He said to me, in reply, that the so-called prophecies were not in reality prophecies, that as a matter of fact he has had the good fortune, in the many years he has been in public life, to form intimate friendships with men in many countries and had been particularly fortunate in being able for the most part to keep up these friendships through the period of the war, and that from information he had gathered at first hand in this way he has ventured to give open expression to some of the views which he holds regarding the present and the future.

I should like in this connection to read a statement that Doctor Benes publicly made before the war actually took place. All of us would, I think, regard it as a prophecy. Doctor Benes himself would say that it is based on logic and philosophy and expresses only a sequence of facts gathered from the confidences of the acquaintances he has maintained.

In November, 1938, the gentleman who this morning is seated to my right made the following statement in regard to what he believed was likely to happen within a short time after the Munich agreement had been entered into. He said at that time that he believed war was inevitable after Munich. He went on:

> I do not know when it will break out, possibly in a year, perhaps in two or three. I personally doubt whether it will take more than a year.

This was in November, 1938. The attack on Poland came on September 1, 1939.

> The first to suffer the blow will be Poland. . . . France will pay horribly. . . . Hitler will attack all—in the west, and even Russia—and in the end America, too, will be in it.

I do not think I need say anything further by way of introduction of the President of the Czechoslovak republic as one who is entitled to speak with great authority on international affairs.

Doctor EDUARD BENES (President of Czechoslovakia): Mr. Prime Minister, Mr. Speaker of the Senate, Mr. Speaker of the House of Commons: Let me first thank you very warmly and sincerely for the kind words with which I have been introduced to this distinguished audience.

It is the first time in the history of Canadian-Czechoslovak relations that a president of Czechoslovakia has the honour of addressing the Canadian parliament. I am cognizant of the great historical significance of this event, and I am profoundly grateful that the honour is mine.

The great contribution of Canada to the struggle of the world for the defeat of German nazism and for the reestablishment of liberty, the achievements this country has made in her war, the organization of her army, navy and air force, industrial and especially financial success in solving extremely difficult war problems, the steadiness and the spirit of this country, evoke a deep and sincere admiration.

The sympathy of the Canadian government and people for Czechoslovakia, expressed in words and deeds during the past four years, has been an encouragement and inspiration in this darkest period of modern Czechoslovak history.

You know that for centuries beginning with the middle ages this small nation in the heart of Europe had been a glorious independent kingdom and a prosperous state. The state that first began the fight for religious freedom in Europe. In the fifteenth and sixteenth centuries, Prague, its capital, was a great centre of learning, contributed largely to European cultural, spiritual and material development, and played an outstanding role in European history and particularly in the history of the Holy Roman Empire and the

Austro-Hungarian monarchy. Perhaps your government knew, too, the famous declaration made by the German Chancellor Bismarck after his victory over Austria in 1866:

> Whoever is master of Bohemia, is master of Europe. Europe must, therefore, never allow any nation except the Czechs to rule it, since that nation does not lust for domination. The boundaries of Bohemia are the safeguard of European security and he who moves them will plunge Europe into misery.

In my estimation there can be no better comment on the position of my country even to-day.

The recognition of our cause here in this country in 1918 was also undoubtedly due to the unmistakable determination of our people to live as a free and independent nation. More than one hundred and fifty thousand Czechoslovak soldiers, many of whom came from Canada to Europe, fought for their country's liberation in the first world war in Russia, France and Italy. When the war was drawing to a close, the epic march of the Czechoslovak legionnaires across the Siberian plains to Vladivostok fired the imagination of the Canadian people as well as the rest of the world. The first unit of our legionnaires made its way across the Pacific from Russia to the battlefields of France, landed in Vancouver and was enthusiastically welcomed by the Canadian people.

Czechoslovakia's twenty years' record as a free and independent democratic state is one of which we are justly proud. Surrounded on all sides by authoritarian countries and governments, she remained faithful to the democratic traditions which came to her very largely from the western hemisphere. Her social legislation and her educational system were progressive and advanced; her financial system was stable, her currency, one of the soundest in Europe; her general economic standard was very high and her import and export trade greater than that of Italy. Until 1938 this republic was one of the most prosperous and happy countries in Europe. Even the concentrated campaign of nazi Germany, beginning in 1936, using corruption, lying propaganda and threatening war and violence, failed to shake the inner harmony of the Czechoslovak republic.

In her foreign policy Czechoslovakia resolutely and consistently followed the policy of peace, international arbitration and collective security. She fostered and encouraged friendship with her neighbours—Austria, Poland, Yugoslavia, and Rumania. She was the most loyal member of the League of Nations. She supported the Locarno policy, was an original signatory of the Briand-Kellogg pact, and was ready to play the part demanded of her in any generally accepted system of collective security. In Geneva she resolutely opposed the Japanese invasion of Manchuria and China; I was President of the Assembly of the League of Nations when we voted the sanctions against Italy upon her invasion of Abyssinia. Czechoslovakia was ready to oppose militarily the occupation of the Rhineland and Austria. Our army and air force were ready and thoroughly efficient. Up to the year 1939 we did our duty completely, not only to our nation, but to Europe and democracy as well.

Czechoslovakia was in mortal danger from the moment that Hitler and the nazi leaders came to power. When Hitler saw that the policy of sanctioning against Italy was not strictly applied and when the German remilitarization of the Rhineland was not opposed by force, he thought that the countless seeds of bitterness and mistrust sown by the dictators would permit him to reap a harvest of destruction of democracy in Europe and bring about the realization of his pan-German plan. The success of the annexation of Austria in March led to the September crisis in 1938.

My own view then was that Hitler's demands and attacks against Czechoslovakia should have been rejected even at the cost of a war. We had ready one and a half million splendid soldiers. But the western powers were not ready for war in 1938, either morally, or materially. Through the sacrifice made by Czechoslovakia, Europe and the world gained a year's time in which to prepare better for the defence against the coming onslaught. In my opinion, the second world war began with the criminal occupation of Prague. And from the very day of occupation, March 15, 1939, all Czechoslovak citizens have been at war with Germany.

Since 1938 the Czechoslovaks at home have endured great hardships, sorrows and suffering. They know that many of their soldiers and airmen who escaped from their enslaved homeland lost their lives while fighting for its liberation in Poland and in France. They know that after the Franco-German armistice, Czechoslovak soldiers and airmen reassembled in Great Britain, and that in the decisive battle of Britain, Czechoslovak airmen played an honourable part. They know that Czechoslovak soldiers are now fighting in Russia and in Africa and manning the defences of Great Britain even while they see their own country being converted into an arsenal for a war against the united nations. Many are now

working as forced labourers in Germany and elsewhere. Those who resist the oppressors are either executed in masses or tortured in prisons and concentration camps. Their country is pillaged and germanized, their national education completely destroyed. The undying memory of the martyred village of Lidice forbids us ever to relax in the world-struggle now waged against the powers of evil and darkness.

We know what we are fighting for. Our every effort is, first of all, spent for the restoration of our democratic way of life, for those moral values that are fundamental to it, as opposed to the nazi creed which deprives individuals and nations not only of freedom but of human dignity and equality. We are fighting, too, for the return of international order, in which the sanctity of treaties and the pledged word will prevail, in contrast to their deliberate violation whenever the nazis consider it expedient. We are fighting for some sort of international charter—a charter which shall embody the rights of man and be applicable to the people of all countries; in short, for a world that is new and free. In my opinion, this entails the punishment of all those people who are guilty of perpetrating numberless crimes and cruelties of the past four years—not in the spirit of vengeance, but with a full measure of justice.

Secondly, we are fighting for a social and economic reorganization of the European continent, which will be in great danger of chaos and disruption after the present war. The consequences of this war will be far-reaching and social and economic difficulties far greater than those of 1918 in Europe. The democratic united nations will have the duty to remain politically and militarily together even after the present war. But the peace which comes after this war will necessitate their new close collaboration also in the social and economic spheres.

Thirdly, we are fighting for a more lasting peace in the future, one which will be guaranteed effectively by an international organization. A new system of collective security must be prepared and established, one which will be more practical and function more effectively than the last. The first steps have already been made in the treaty signed by the united nations, but more discussion and preparations on the far-reaching questions of peace will be necessary before unity among the united nations will be achieved.

This is directly connected with the fourth fundamental aim of the present war, the one which will perhaps be the most difficult and at the same time most decisive to realize: a new political reorganization of Europe and the world. All these aims are interrelated and inseparable.

All the united nations, the great British commonwealth in which Canada has so vital a part and which has played such a glorious role in the present war; your great neighbour, the United States, whose friendly three-thousand mile boundary is an example of good neighbourliness to the rest of the world; Soviet Russia, who first broke the legend of nazi invincibility; China, whose strength seems incredibly increased as we look back on her heroic fight against the Japanese aggressors, as well as the smaller united nations, all share in this global struggle and all agree in these four great peace aims, which must be achieved in this second world war. Poland, Czechoslovakia, Yugoslavia, Greece, the Netherlands, Belgium, and Luxembourg, Norway, Austria as well as France—all have to be liberated. France has had to come to humiliating terms with the enemy. Even to-day the enemy has not exacted his last full measure of humiliation and vengeance. Germany has torn up the armistice agreement, imprisoned her manhood, or compelled it to work at forced labour. Yet France has never ceased to be capable of greatness. I believe that before very long France will rejoin her allies as a fully sovereign and belligerent nation. She will take her place at a council table of Europe. Europe needs a strong and regenerated France—and the same is true of the other subjugated nations—and without her there will be no lasting peace on the European continent.

After the collapse of Germany the united nations must, in my opinion, remain an organized body which will create the basis for the new post-war international order and for the new system of international collaboration and security, in which every member will play its due and proportionate part.

All Czechoslovaks are greatly indebted to Canada as well as to Great Britain and to the British commonwealth for the magnanimity with which she received Czechoslovak citizens who fled from their homeland in the past several years. They only followed their fellow countrymen who came years before to establish themselves permanently in Canada and are now faithful Canadian citizens and true Canadian patriots. I firmly believe that they are fully sharing Canada's effort in this war and will always serve to promote and strengthen our mutual understanding and friendship.

Canadians of Czechoslovak origin are now fighting in the Canadian and partly in the Czechoslovak army abroad. Many fliers, Canadian and Czechoslovak, trained here in your great country, are bravely fighting together to defeat our common enemy, who brought this war upon us.

Czechoslovakia's gratitude for Canada's consistent policy toward Czechoslovakia since 1918 is boundless. Mr. Mackenzie King's repudiation of the wanton German aggression against Czechoslovakia in the House of Commons on March 20, 1939, Canada's refusal to recognize the occupation of Czechoslovakia on April 7, 1941, and the granting of full recognition to the government of Czechoslovakia in England on July 17, 1942, has been the rounding out of this mutual relationship. These are ties that bind Canada and Czechoslovakia together and will bind them forever; and my thanks for all this, Mr. Prime Minister, to you, to your Parliament, and to your great country.

Czechoslovakia's policy has not changed since 1918. Nor will it change after victory is ours. I feel authorized to declare on behalf of my nation that after the final victory in this great war is achieved, the Czechoslovak nation will reconstruct its old home rapidly and successfully by its untiring efforts, remaining faithful—as it always was during the difficult periods of its long, chequered and glorious history—to the democratic way of life, to the principles of spiritual and religious freedom and to the ideals of peace and peaceful international collaboration, of which Canada and its brave and freedom-loving people was always one of the most typical and courageous representatives in the policy of the whole world.

Mr. MACKENZIE KING: I would ask the Speaker of the Senate and the Speaker of the House of Commons if they would express on behalf of the members of parliament our appreciation of the memorable address to which we have just listened by the President of the Czechoslovakia republic. May I say to Doctor Benes that we follow in our parliament the practice he followed as President of the League of Nations, and speak in either one of two official languages. I know, had time permitted, the President, as was the custom of the League of Nations, would have wished to repeat in French the address which he has just delivered in English. I would suggest that one of the two gifted gentlemen who will express our thanks to Doctor Benes might take notice of the fact that we are a parliament which recognizes more than one language.

[Dr. Eduard Benes.]

Hon. THOMAS VIEN (Speaker of the Senate) (Translation): Your Excellency, it is for me a privilege which I highly prize to be called upon to convey to you the warmest thanks of the members of the Senate and of the House of Commons for the honour you have conferred upon us by your presence here to-day and for the memorable address which you have just delivered.

In discharging this very pleasant duty in my mother tongue, one of the two official languages of this country, I derive added satisfaction from the fact that you, sir, speak it yourself with such fluent elegance.

We have, for a long time ardently desired the privilege now so charmingly extended to us by your excellency. For more than a quarter-century we have witnessed your achievements and closely followed your rapid accession to a foremost rank in the political world.

We warmly cheered at the birth of the Czechoslovakian republic. We have shared her happiness, admired the heroic courage of her people, and shed burning tears, as we still do, over her misfortune. On their return from Geneva, your friends, our Prime Minister and our late and lamented Senator Raoul Dandurand often spoke to us with admiration of your illustrious master, Mr. Masaryk, and of yourself, his worthy successor. Your world-wide reputation has preceded you here. We admire in your excellency the wisdom and caution of the statesman; the vigilance and valour of the patriot; the indomitable courage of the apostle disseminating throughout the world the immortal principles upon which are founded true democracy, liberty, order and peace.

On one of the memorable occasions which marked your brilliant career, you declared yourself a citizen of this young Europe which had sprung from the embers of the most disastrous conflagration the world has ever known, and of a new state which has devoted its strength and energy to the reconstruction of a world perpetually in the making.

Like ourselves, you are seeking an ideal, a symbol, a formula for a civilization capable of guaranteeing to humanity as a whole the complete enjoyment of its rights and of freeing it for evermore from fear and want.

We thank you for having given, by the warmth of your eloquence, a new and more vivid ardour to our faith in truth, honesty and human fraternity. We shall keep of your visit an everlasting memory, and this day will remain deeply graven, in letters of gold, in our annals and our hearts.

Hon. J. A. GLEN (Speaker of the House of Commons): Mr. Prime Minister, Mr. President and ladies and gentlemen; There are many occasions, Mr. Prime Minister and Mr. President, during a man's life when the hopes and dreams of the past become the realization of the present. I think that Doctor Benes is in that position to-day. He to-day sees in the immediate future the realization of those hopes. Everyone will remember Doctor Benes during those days of Munich of 1938, and how he conducted himself with cool and calm courage, steady judgment and with a definite purpose in mind. He held for himself during that time a high honour—I think he will consider it a high honour—that he incurred the most bitter hatred of Hitler. For all of us will recall those days of the Sudeten incident when Doctor Benes was leading his people, how Hitler chose him as public enemy No. 1 and reviled him to the whole world as a traitor to Czechoslovakia and, therefore, a traitor to Germany! I shall always recall the steadiness with which that challenge was met, and the determination with which Doctor Benes carried on his high office in behalf of his country.

The Prime Minister has told you of the prophetic utterance by Doctor Benes in November, 1938, which was fulfilled to the last word. Now Doctor Benes has given us another prophecy, though he himself knows and says this is a very dangerous field. He predicts the end of this war; I think the words he used were: "in the winter of 1943-44." May he see the fulfilment also of that prediction. Doctor Benes' address to us is an inspiration to Canada. It conveys to us some measure of the courage and steadfastness which was exhibited by his people and by himself during those terrible days. I should like to recall a broadcast that was made by Doctor Benes some time ago, which has remained in my memory. I do not recall his exact words, but I remember that he asked himself one question: "What do I want?" The answer he gave was, "I want to go home. I want to go to my own country. I want a free Czechoslovakia in a free Europe."

Mr. President, on behalf of those who are gathered here at this joint meeting of both houses of parliament, I thank you for your presence here with us to-day. As I stated, you have again entered into the realm of prophecy, and we do hope that your prediction on this occasion will come true within at least another year. Whether or not, I want to assure you that all Canada joins with you and your country, that we shall prosecute and continue our efforts until this war is successfully finished. On behalf of this joint meeting I express to you that which has been so evident from time to time during your address, the great pleasure you have given us. I express the wish of every man and woman in this audience when I say to you that we hope in the very near future you may return to your own home, your own country, a free Czechoslovakian, in a free Europe.

Friday, June 4, 1943

The house met at three o'clock.

FUEL

CONDITIONS UNDER NATIONAL EMERGENCY

On the orders of the day:

Mr. E. G. HANSELL (Macleod): May I direct a question to the Minister of Labour. Perhaps it will do if he answers it on Monday, should he not be able to do so to-day. In view of the national fuel emergency declared by the Prime Minister a couple of weeks ago, will the Minister of Labour give to the house an explanation as to how the emergency has been cared for over the past couple of weeks and how the situation stands at the present time?

Hon. HUMPHREY MITCHELL (Minister of Labour): I shall be glad to do that, though we have not had much time after the policy was decided upon to create an organization to handle it. My hon. friend can rest assured that they are moving with expedition.

Mr. HANSELL: Monday or Tuesday will be all right.

FOOD

PERMANENT ORGANIZATION TO PLAN AND DISTRIBUTE GLOBAL RESOURCES

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): I have a question to ask with reference to a newspaper report by Mr. J. F. Sanderson of the Canadian Press, appearing in yesterday's newspapers, that the united nations food conference has agreed to establish a permanent organization to plan and coordinate global food resources. Will Canada be represented on the interim commission that is being set up? If so, who is to represent this country on the commission?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I should like at an appropriate moment to make a statement with reference to the food conference, and perhaps my hon. friend will permit me to do so some day next week.

INQUIRY AS TO FOOD IN STORAGE IN VICTORIA

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): In the *Globe and Mail* of this morning the following item appeared:

Dr. Fred W. Routley, national commissioner of the Canadian Red Cross Society, said yesterday the goods in storage at Ogden Point Pier warehouse, Victoria, was not the property of the society, but belonged to the federal government. The Victoria *Times* yesterday said considerable piles of foodstuffs, originally destined for the Red Cross Society in Hong Kong for distribution among Canadian and allied prisoners of war had been in storage for more than a year and "nobody seems to know what to do about it."

To whom do these foodstuffs belong; what do they consist of; if they are not shipped out of Canada for use by our armed forces, will they be used by our armed forces in Canada?

Mr. SPEAKER: That is a question for the order paper.

SUGAR

SITUATION IN REGARD TO RHUBARB IN WESTERN CANADA

On the orders of the day:

Mr. T. C. DOUGLAS (Weyburn): I am in receipt of a telegram from some merchants in Weyburn, Saskatchewan, indicating a condition which may be prevalent in other cities of western Canada. They report that rhubarb is going to waste because there are no sugar permits available and consequently housewives are unable to make use of the rhubarb either for canning or for cooking purposes. Will the minister undertake to see that steps are taken immediately to deal with this unfortunate situation?

Hon. J. L. ILSLEY (Minister of Finance): I regret that I cannot give the undertaking. I have gone very carefully into the question of rhubarb since I received notice of this question, and I find that provision was made for one pound of sugar per capita of the population of Canada for the purpose of cooking rhubarb alone. That one pound of sugar would be sufficient to cook five pounds of rhubarb, which would mean twenty-five pounds for a family of five. If more sugar is required for this purpose it will have to come out of the canning allotment or out of the ordinary sugar ration.

Mr. DOUGLAS (Weyburn): The complaint is not that sugar is lacking but that the permits are not available. This is an important item of food for many people on the prairies.

[*Later:*]

Mr. ILSLEY: Mr. Speaker, I would like to revert to my answer to the hon. member for Weyburn. I understood that he was asking for an increase in the sugar ration, but if it is merely a matter of administration I shall be glad to look into it at once.

POSSIBLE INCREASE IN ALLOWANCE FOR CANNING

On the orders of the day:

Mr. NORMAN J. M. LOCKHART (Lincoln): I should like to offer a suggestion to the Minister of Finance which he may consider and perhaps reply to at some future time. In the fruit growing areas there is considerable misgiving as a result of the late season. If the weather should become very warm the fruit will ripen rapidly and perhaps will become a drug on the market because of the impossibility of shipping it all at once. These circumstances are well known to the producers of fruit. Perhaps some time later the minister would make it clear to the housewives whether, in the event of an emergency of this kind, there may be some slight increase in the sugar allowance for canning, or whether in his opinion the maximum has been reached, in the light of the information available to him.

Hon. J. L. ILSLEY (Minister of Finance): I shall take up that matter with the wartime prices and trade board, and if any change is to be made I shall be glad to announce it in the house.

ALLOCATION OF SUPPLIES FOR CANADA AS COMPARED WITH THE UNITED STATES

On the orders of the day:

Mr. HANSON (York-Sunbury): I think the Canadian public ought to be given some understanding as to the basis of the allocation of sugar supplies for Canada as compared with the United States. Sugar bowls are placed on the dining-room tables in leading hotels in the United States, and one may help himself as he did in days gone by. In Canada that condition does not obtain. Are we beholden to the United States for the quota

we get? What is the basis of allocation? Let us understand it. Are we getting the equivalent per capita of what the people in the United States are getting? It seems to me there is some discrimination—I do not suggest it is unjustified, but I do not know. The Canadian public ought to know about the basis of allocation.

Mr. ILSLEY: That is a reasonable request.

Mr. HANSON (York-Sunbury): I would not have made it if I had not thought it was.

FISH PRODUCTS

RELEASE OF BRITISH COLUMBIA HERRING FOR CANADIAN CONSUMPTION

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): Is the Minister of Fisheries in a position to reply to my question of May 27 respecting British Columbia herring?

Hon. ERNEST BERTRAND (Minister of Fisheries): Mr. Speaker, we have allowed 85,000 cases of herring to be distributed in Canada.

MEAT BOARD

RECONSTITUTION OF BACON BOARD—CONTROL OF DISTRIBUTION

On the orders of the day:

Mr. M. C. SENN (Haldimand): I wish to address a question to the Minister of Agriculture. It is based on an article appearing in this morning's *Journal,* headed "Meat Board to Control Distribution". It contains a paragraph that reads:

> The Canadian bacon board has been reconstituted as a meat board, with power to control distribution of all meat, Minister Gardiner announced last night.

The article as a whole is short and in my judgment it is not comprehensive enough; that is to say, it does not set out sufficiently the powers of the new board. First, may I ask the minister why this announcement was not made in the house, rather than in the manner in which it has been made, seeing that the house is in session; and second, I should like to have the minister make a statement to the house outlining the powers of the new board, and informing the house whether these powers with regard to price ceiling and rationing, formerly under the wartime prices and trade board, are now being transferred to the new board so far as meat is concerned.

Hon. J. G. GARDINER (Minister of Agriculture): The terms of the order in council to all intents and purposes give the same powers to the new meat board as were previously held by the bacon board, but their activities will now extend to beef as well as pork. It does not make any change with regard to the control which the prices board has over rationing and over the setting of prices. There is no change whatsoever in that regard. It is simply a reconstituting of the bacon board as a meat board, and while I did not make the announcement to the house, I did mention it the other day in the committee on agriculture.

Mr. SENN: Will the Minister of Agriculture lay on the table the order in council setting up the new board?

Mr. GARDINER: Just as soon as a copy is available.

WHEAT

REQUEST FOR INCREASED INITIAL PAYMENT

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): I desire to direct a question to the Minister of Trade and Commerce, but first, in order to be fair to the minister, I should like to explain the situation. It will be recalled that on Tuesday last and again on Wednesday I asked if the minister had received a telegram from Canadian Cooperative Wheat Producers asking for an increase in the initial payment on wheat. On both occasions the minister answered in the negative. I was quite surprised at that reply and went down to the reading room, where I found large headlines in three of the western newspapers in reference to this request. Now, to be fair to the minister, I want to read a telegram which I received yesterday; had we reached the orders of the day yesterday I would have dealt with the matter then. It is dated Regina, Saskatchewan, June 3, and reads:

> Newscast this morning states reply your question MacKinnon said no request made by pools to increase initial payment wheat board act to one dollar. Find through mistake in Winnipeg office wire was not sent. Explanatory wire gone this morning to minister from W. J. Parker, Manitoba pool.

Would the minister now state whether he has received this telegram; would he tell the house the import of it, and whether the action suggested will be taken.

Hon. J. A. MacKINNON (Minister of Trade and Commerce): As the hon. member for Qu'Appelle has explained, there was a delay in sending the telegram and consequently a delay before I received it. The telegram reached me about noon yesterday, and it contained a statement that a covering letter was being sent by mail. This letter has not been received as yet, but I have had an opportunity

of discussing this telegram with my colleagues and all I can say in reply to my hon. friend is that the wheat policy for 1943-44 was announced by me in January. In that statement mention was made of an advance of 90 cents per bushel to be paid on wheat, f.o.b. Fort William.

LABOUR CONDITIONS

INQUIRY AS TO LAY-OFF BY CANADIAN INGERSOLL RAND COMPANY

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Has the Minister of Labour been informed that workers employed on war contracts by the Canadian Ingersoll Rand company are being laid off? If that is so, I should like to know the reason for the lay-off and whether selective service is taking all necessary steps to direct these men to other employment.

Hon. HUMPHREY MITCHELL (Minister of Labour): I want to thank my hon. friend for giving me notice of this question. In reply I should like to state that national selective service officers are actively engaged in placing men who have been laid off, or are to be laid off, at the plant in question; there are plenty of vacancies available. As to the necessity for the lay-off, that is a matter which is under the jurisdiction of my colleague the Minister of Munitions and Supply (Mr. Howe). In addition, complaints have reached my department that men have been laid off because of union activity, and I have a commissioner on the ground to investigate these complaints.

CABLE MESSAGES

COMPLAINT AS TO DELAY IN DELIVERY AND RECEIPT OF MESSAGES FROM OVERSEAS

On the orders of the day:

Mr. P. C. BLACK (Cumberland): I have a complaint to lay before the Minister of National Defence for Air in regard to delays in the delivery and receipt of cable messages to our boys in the air force in Britain. I have a letter from a mother saying that the cable companies state that the delays are due to the system or lack of attention in the air force camps in England. The letter goes on to say:

> It is awful to think that there is no way to get in touch with our boy more quickly, and to have cables lying around undelivered for days and weeks is awful. Why do they accept cables if they won't deliver them? It is robbery to take the boys' money and not deliver their messages to us. Both the men, their relations and friends are entitled to know why we cannot get better service.

[Mr. J. A. MacKinnon.]

Hon. C. G. POWER (Minister of National Defence for Air): If my hon. friend will give me the particulars I shall be glad to look into that specific case.

Mr. GRAYDON: May I ask whether the minister has had similar complaints prior to this?

Mr. POWER: Yes, but not to the extent that we had them in the beginning. The Canadian postal authorities are doing the best they can under the circumstances.

Mr. GRAYDON: Apparently there are still some delays?

Mr. POWER: I would think so; in fact I would not hesitate to say that there are.

CIVIL SERVICE

REQUEST FOR TABLING OF REPORT OF ADVISORY COMMITTEE

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): I should like to ask the Minister of Finance if he will table a copy of the Coon report to the treasury board on civil service conditions.

Hon. J. L. ILSLEY (Minister of Finance): Mr. Speaker, the Coon committee was appointed to advise treasury board and I regard its advice as confidential. The policy of the government is contained in the statement made and the orders in council passed some two or three days ago.

Mr. GRAYDON: May I ask whether the advisory committee was paid out of public funds for the work it did?

Mr. ILSLEY: No.

TRANS-CANADA AIR LINES

STATEMENT IN THE BRITISH HOUSE OF COMMONS ON QUESTION OF OWNERSHIP OR CONTROL

On the orders of the day:

Mr. J. W. NOSEWORTHY (York South): Mr. Speaker, may I direct the attention of the Minister of Transport (Mr. Michaud) to a Canadian Press dispatch report of two days ago setting out a debate which took place in the British House of Commons? In that debate a member of the British parliament is quoted as saying that sixty per cent of the money involved in Trans-Canada Air Lines came from the United States. I suggest that in the interests of our publicly-owned transportation system that statement should receive some special refutation.

Hon. C. D. HOWE (Minister of Munitions and Supply): As my hon. friend knows, Trans-Canada Air Lines is owned wholly by the government of Canada.

BUSINESS OF THE HOUSE

PROCEDURE IN CONSIDERATION OF APPROPRIATION BILL

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, a few days ago when we were discussing questions related to the business of the house and the order of procedure my hon. friend the leader of the opposition (Mr. Graydon) mentioned to me across the floor of the house that he would ask the government to consider the question of allowing the Department of Labour to be considered next. My hon. friend at that time had reference to discussions under the war appropriation measure.

Two defence departments, namely those of the air and army, had made presentations. The army's presentation is now completed; that of the air force partly so; but there has not been at this time any presentation on the part of the navy. According to the original plan it was proposed that we should follow with the Department of Munitions and Supply, and then that upon a statement by the Minister of Labour (Mr. Mitchell) we might discuss the question of man-power generally.

I replied to my hon. friend that I should like to consult with the Minister of Munitions and Supply (Mr. Howe) and the Minister of Labour before giving a final answer. I did say I would seek to oblige hon. members opposite, and to meet their wishes as far as possible. I stated further at the time that I thought it was logical at least to continue discussions on the three defence departments, and my hon. friend opposite agreed.

The question came up again yesterday, at which time I intimated that up to that time I had not had a chance to confer with my colleagues. I did so last night. Both the Minister of Munitions and Supply and the Minister of Labour feel that a much more effective and intelligent presentation of the whole man-power problem could be made to the house if the Minister of Munitions and Supply were to make his statement first, and be followed later by the Minister of Labour. I must say that after discussing the matter with them I agree with their view. The whole man-power problem will I believe become much more intelligible, for purposes of discussion in the house if that order is followed. I believe there would be an avoidance of repetition and unnecessary discussion, and also there would be better and more effective understanding in the country if we had before us in the first instance a full statement of the needs of the services and of war industries. When the needs are presented to the house, then the Minister of Labour will be in a better position to deal more particularly with the manner in which those needs as well as others are being met and are to be met.

I am most anxious in every way to accommodate hon. members opposite, and I hope they will not think that I have anything in mind other than just what I have stated. This procedure will I hope materially shorten the discussion in the house, and would be not only the most logical method of presentation, but the most effective method of presentation of the whole problem. I mention this now in order that hon. members may understand the order in which we propose to proceed.

Up to the present the government has avoided introducing other measures, or bringing down new subjects for discussion while we have been dealing with the war appropriation bill. In some ways, that is a distinct disadvantage, because any discussion carried on for so many days at a time—even weeks at a time—soon becomes wearisome. On the other hand we have realized there is nothing the country is as much concerned about, or about which the government itself is so much concerned, as the war appropriation bill and the subjects to which it relates. We have felt we should not take any chances whatsoever of having other than the fullest discussion of that measure. I hope hon. members opposite will agree that the government in following the course I am suggesting is following the right one.

I might add that yesterday the leader of the Cooperative Commonwealth Federation (Mr. Coldwell) took exception to the government's departing from the original proposal, and this would seem to indicate that at least all hon. members opposite are not in agreement in the matter of following a different procedure.

Mr. GORDON GRAYDON (Leader of the Opposition): I may be under some misapprehension as to the agreement respecting the sequence of debates, but at the moment I know of no arrangement—at least I can recall none—whereby the Department of Munitions and Supply would follow directly after the Department of National Defence for Naval Services. However, I am not prepared to offer any challenge with respect to the accuracy of my understanding. I have stated my recollection.

Mr. MACKENZIE KING: I think my hon. friend is right. I have just spoken to my colleague the Minister of National De-

fence and he states that at the time the arrangement was made to which I first referred, when we discussed the matter with the leaders of the different parties, the Department of Munitions and Supply was not mentioned. There was mention of only the three services.

Mr. GRAYDON: I thank the Prime Minister for that statement, because that was my recollection. May I say at once that we cannot possibly meet my right hon. friend in this suggestion that the Department of Munitions and Supply should follow the Department of National Defence for Naval Services. There are good and sufficient reasons for this, one of which is that during the debate yesterday which was instituted by the hon. member for Témiscouata (Mr. Pouliot) this whole matter was discussed. I would point out to the Prime Minister that the understanding had a direct bearing on the progress of that debate. During the debate the Prime Minister said, as reported at page 3283 of *Hansard:*

A day or two ago it was understood that after we completed the statements of the ministers of defence we might take as the next order of business the question of man-power, even before going into matters pertaining to the Department of Munitions and Supply. I do not think it will be very long before we reach the discussion of man-power, and the question of agricultural labour and the measures necessary to meet the needs of agriculture inevitably will come up as soon as that discussion is entered upon.

Then the right hon. gentleman went on to indicate what he has indicated this afternoon, and in referring to the hon. member for Témiscouata (Mr. Pouliot) he said:

However, I think he may take it for granted that in so far as it may give promise of expediting the business of the house, we will seek to meet the wishes of the opposition in the matter.

If I may say to the Prime Minister, that had a very direct bearing upon the debate yesterday.

Mr. MACKENZIE (Vancouver Centre): How?

Mr. GRAYDON: If the Minister of Pensions and National Health will be as patient as he is sometimes, but not always, I will answer his question, because I was just about to come to that point. The reason why it had a bearing on the debate yesterday was that the discussion instituted by the hon. member for Témiscouata was only a piecemeal discussion of the whole problem of man-power. On another occassion in the house, after the Department of National Defence had been completed, I mentioned to the Prime Minister that we were somewhat handicapped as a party in dealing with the whole problem of man-power because the Minister of Labour had not given his statement. We did not want to be dealing with this matter department by department, and it was largely because of that that this party did not take more than a token part in the discussion yesterday in order to make our position clear.

Mr. MACKENZIE (Vancouver Centre): In any case the debate could not last beyond eleven o'clock.

Mr. GRAYDON: In my opinion that had nothing to do with our taking part in the debate. We had the statement of the Prime Minister, which perhaps was not a guarantee, that the Minister of Labour would come on, and it left the definite impression that the man-power problem would not be delayed and the whole picture would be laid before us. Certainly it was my understanding that he would come on before the Minister of Munitions and Supply.

As I said last night, in my opinion the problem of man-power in Canada is the major issue facing the Canadian people. The hon. member for Témiscouata raised only part of this problem; the whole problem must be dealt with. I understood the Prime Minister's argument this afternoon to be that we should have the services and their demands and requirements before us, that we should have the demands and requirements of the Department of Munitions and Supply before us, and that we should then go on with the Minister of Labour. If that argument were followed to its logical conclusion, we should have the Department of Agriculture before the man-power problem was actually discussed by the Minister of Labour.

I must take very strong exception to the suggestion made. I realize that the government has it in its power to arrange the sequence of business in connection with the war appropriation measure, but I submit to the government that it is a mistaken procedure to have the Department of Munitions and Supply follow the Department of National Defence for Naval Services. That would mean that we should be considerably further along with the session. On a previous occasion, I think in February or March, the Minister of Labour made a partial statement on man-power but—

Mr. CLEAVER: You would not let him go on.

Mr. GRAYDON: I do not know whether my hon. friend means that as an interruption.

Mr. CLEAVER: You would not let him finish his statement.

Mr. GRAYDON: I think the Minister of Labour should be given the opportunity to complete his statement which he gave partly on a previous occasion. So far as I can see there is no justification for a further postponement of the discussion of this problem which is so vital to this country. We should come to grips immediately with this man-power problem; we should not be delayed by having to take another department.

Mr. MACKENZIE KING: I hope I have made it quite clear that the government's desire is to expedite the business of the house and, with its knowledge of what has to be presented, it is I think in the best position to say how the complete picture can most effectively be presented to the house, presented that is, in a manner that will be most helpful to a discussion in the house. The desire to have the Minister of Munitions and Supply follow the defence departments has been entirely that of getting before the house the full picture of the requirements of the different defence forces and war industries. The question of farm labour comes of course into it.

If it will help to avoid any misunderstanding between us and enable the house to reach the man-power discussion more rapidly than might otherwise be possible, I may say to my hon. friend that I am quite prepared to suggest to my colleague the Minister of Munitions and Supply, that he make his statement which will set forth the essential features of the work of the Department of Munitions and Supply during the past year—I imagine that this statement may take two or three hours, but not more than that—and that he then allow the discussion on the statement to stand over until there has been a discussion of the man-power problem upon the statement of the Minister of Labour.

Mr. GRAYDON: Why does my right hon. friend suggest that the Minister of Munitions and Supply make his statement before the Minister of Labour makes his?

Mr. MACKENZIE KING: For the reason that the house will wish to know what man-power has been employed during this past year, is now being employed and will be required from now on in the war industries of the country.

Mr. GRAYDON: That may not come out except by cross-examination during the debate.

Mr. MACKENZIE KING: With all due respect to my hon. friend, recalling what the Minister of Munitions and Supply has said in previous years, I think we may assume that he will follow a similar line of procedure this year, and give to the house a very full statement with respect to the man-power required by the war industries. I do not see how a discussion on man-power can proceed intelligently or without a great deal of repetition unless that statement is made in the first instance. For that reason I hope that my hon. friend will acquiesce in this proposal. I make it because apparently there has been some difference of view between us and I am anxious to accommodate both sides of the house as far as I can.

With regard to the needs of agriculture, may I say that we had a debate on the question of the shortage of farm labour earlier in the session. At that time a formal motion was made and a debate took place upon the question. Under the rules of this house a second debate cannot take place on a question once it has been discussed and disposed of. I have not raised that point although it might have been raised yesterday. I simply point it out as an additional reason why the government, in controlling the business of the house, should follow the sequence that it feels to be necessary and desirable.

Mr. GRAYDON: The Prime Minister has asked me if I would be ready to acquiesce in his last suggestion. This last suggestion is very important because when he raises the question about the shortage of agricultural labour having been debated before in the house, it then forms part of the whole picture. The difficulty that we have been faced with from the beginning is that matters are being dealt with piecemeal. We have always had that difficulty. What we are trying to get as quickly as possible is a discussion of the whole problem of man-power. It is suggested that the Minister of Munitions and Supply make his statement and then further discussion stand over until the man-power problem has been disposed of. At the moment I am not able to assess accurately the position in which we may find ourselves with respect to dealing with the Department of Munitions and Supply. I am afraid we cannot acquiesce in the suggestion of the Prime Minister, but the matter is in his hands.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I should like to say a word on this, if I may. It seems to me that the logical procedure is the one outlined by the Prime Minister in the first instance, that we have statements from the three defence de-

partments and from Munitions and Supply, because then we would be in a position intelligently to discuss matters. I felt that yesterday, and I feel it even more strongly to-day. The suggestion made by the Prime Minister to have the Minister of Munitions and Supply make a statement and then leave that in abeyance while we discuss the Department of Labour would lead to the defeat of the objective we had in view when we agreed to a discussion of the war appropriation bill department by department, because of necessity the figures presented by the Minister of Munitions and Supply would have a close bearing on matters coming within the Department of Labour. The two departments might almost be discussed interchangeably. If we are to follow the procedure outlined by the Prime Minister it might be better to take those two departments and discuss them together because they are so closely interrelated. Personally, as I said yesterday, I think the logical order is the order originally suggested, to take the Department of Munitions and Supply and then the Department of Labour. Then we shall know the labour problems arising out of all the war departments.

Mr. MACKENZIE KING: My hon. friend the leader of the opposition has quite rightly said that the responsibility is on the government and particularly on myself. I have made a suggestion to him which I thought would be helpful but he is not prepared to accept it. The hon. leader of the Cooperative Commonwealth Federation says that he thinks the suggestion is illogical and should not be followed. In the circumstances, I may say at once to my hon. friend that we will proceed as we originally intended. When discussion has been completed on the statements of the defence ministers, the Minister of Munitions and Supply will make his statement and discussion can then take place on his statement. We will then proceed with the statement of the Minister of Labour.

Mr. GRAYDON: Speaking of responsibility may I say that the responsibility rests squarely upon the government for the delay in bringing on the man-power discussion, and they will have to accept it.

PRIVILEGE—MR. POULIOT

REFERENCE TO ARTICLE IN "GLOBE AND MAIL" OF JUNE 4

On the orders of the day:

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, although the leader of the opposition (Mr. Graydon) has not completed his self-assigned task of mending the numerous holes that he made yesterday in the Tory blue socks, I rise to a question of privilege and I have also a correction to make in a report that appeared in to-day's *Globe and Mail* regarding the sitting of yesterday. I quote from the *Globe and Mail*:

> It is reliably reported that Mr. Pouliot gave notice of his intention to move the motion to the Progressive Conservative caucus earlier in the day, and that caucus decision was against supporting it.

Here is what happened. I went in the first place to the agriculture and colonization committee and asked the committee if they would consider the same matter that was discussed in the house yesterday. No definite reply was given because it would require a special reference from the house. Afterwards a Conservative member came to my room and said he would support me if I discussed the matter in the house. I said that I might bring it before the house, and that is all that was said there. May I say further that I have nothing whatever to do with the Progressive Conservative caucus for the very reason that it gets its inspiration from the same "no brains" trust that brought the Bennett government to defeat.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. gentleman has risen to make a correction of an article that appeared in the newspapers. His question of privilege has nothing to do with the Progressive Conservative caucus.

Mr. POULIOT: Mr. Speaker, I have a correction to make in that article. It says: "Joining them were members of Bloc Populaire." No member of le Bloc Populaire was in the house. I hope a correction will be made accordingly.

CANADIAN FORCES

TELEGRAPH AND TELEPHONE COMMUNICATION SERVICES

On the orders of the day.

Mr. LIONEL CHEVRIER (Parliamentary Assistant to the Minister of Munitions and Supply): Mr. Speaker, on April 7 the hon. member for Témiscouata (Mr. Pouliot) referred to information of public interest regarding the creation of a new crown company for the amalgamation of telegraph and telephone lines. In answer to his request I desire to lay on the table order in council P.C. 3045 covering the establishment of Defence Communications Limited.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Wednesday, June 2, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE FOR AIR

2. Pay and allowances, $238,023,232.

Hon. C. G. POWER (Minister of National Defence for Air): Mr. Chairman, my friend and collaborator and myself have a number of questions to answer. We are quite prepared to answer them this afternoon but to do so will take some little time and the answers will be more in the nature of statements. We have only a two-hour sitting now and if the house prefers to continue the discussion and to ask further questions, as always I am the humble and obedient servant of the house.

Mr. GRAYDON: We will accept the word humble.

Mr. ADAMSON: Let the minister make his statements this afternoon.

Mr. POWER: Is it the pleasure of the committee that I give the answers now, or does the committee prefer to continue the discussion?

Some hon. MEMBERS: Give the answers.

Other hon. MEMBERS: Make your statements now.

Mr. BLACKMORE: It is impossible for me to hear what is going on down there.

Mr. POWER: I was making a suggestion to the committee, without in any way endeavouring to influence it, that we could use this afternoon in answering a number of questions which have been put to us during the two days' debate. But if we did that, it would take up a great deal of time and might deprive some members who feel like making a speech of the opportunity to do so. I am entirely in the hands of the committee.

Mr. GRAYDON: I thank the minister for extending this courtesy to us. I think there are one or two members who have some questions to ask. I do not think it will take long.

Mr. POWER: All right.

Mr. BLACKMORE: I am unable yet to learn what the minister offers as an alternative.

Mr. POWER: I offered to answer all the questions which have been put to me in the last two days. If the committee does not want me to answer these questions to-day, I take it that the committee wants to make speeches, and I will listen. I shall be on the other end; that is all.

Mr. BLACKMORE: The alternative is that the minister himself will make a little speech in which he will answer the questions. I would be in favour of having the minister answer questions in a speech.

Mr. DIEFENBAKER: The minister last evening gave me the opportunity, which I appreciate, of going over the new contracts with respect to the air observer and elementary flying training schools.

Mr. POWER: That had better come under another item, had it not? There is an item just for civilian schools.

Mr. DIEFENBAKER: If that is so, I will not continue.

Mr. GRAYDON: Well, this is a general discussion, of course.

Mr. HANSON (York-Sunbury): Surely; go ahead.

Mr. POWER: All right.

Mr. DIEFENBAKER: I have a number of questions to ask arising out of this matter. The minister very kindly, as I stated, had a comparison made between the old contracts covering elementary flying training and air observer schools and the new contracts covering these schools. I have taken the opportunity of perusing the contracts, and any objection which I have heretofore expressed to the operation of these schools generally is removed by the amendments to the contracts during the present year. There are however some matters which I think still could be improved upon.

I will outline in general so far as the elementary training schools are concerned the previous arrangements which were in effect. There was paid to the flying training companies a certain amount during each period of four weeks for maintenance. In addition there was a considerable profit allowed per flying hour. Amendments have been now made by which considerable reductions have taken place in the management fee; it is now entirely eliminated except so far as actual expenses are concerned. As to the saving or loss on operations, up to the time of the new agreement the crown has paid seventy-five per cent and the company twenty-five per cent, and under the new arrangements the division will be eighty per

cent and twenty per cent. Generally speaking the result will effect considerable savings in the operations of these schools. There are however some changes which I think might still be made, and I place them before the minister.

The first I have in mind is in connection with insurance to take the place of the workmen's compensation act insurance in effect in the various provinces. I have not the available figures now, but if my memory is correct the amount paid by each of these schools per month averages about $1,100. I speak subject to correction in that regard. There are ten air observer schools and some twenty elementary flying training schools in Canada. At the present time the insurance is carried by insurance companies. It covers the personnel of these various schools who have not available to them the protection granted under the provincial workmen's compensation acts. I ascertained, as a result of our investigation some two years ago into these items, that the amount which was being disbursed by way of compensation was about twenty per cent of the actual amount of the premiums. With the government receiving the profits at the conclusion of the contracts for disposal as indicated in the two contracts, a saving running well on to $150,000 a year could be effected if the government itself would assume the responsibility and liability for compensation to the employees.

Mr. POWER: May I ask the hon. member if he has thought this thing through? Would it mean the setting up of a sort of new insurance department by the government just for these schools? I have not thought it through.

Mr. DIEFENBAKER: No. In each of these schools there is already sufficient staff for the purpose. All the government would have to do would be from time to time, as accidents take place, deduct from the amount paid by each of the schools the equivalent amount now paid to the insurance companies sufficient to be disbursed among those who suffer injury and accident. In fact, the statement I make as to the savings is, I know, having regard to past payments, a considerable underestimate of the saving which could take place. In that connection I wish to ask the following questions: the amount paid during the past year for insurance premiums in the various schools; the amount paid by each school per year; and the names of the agents with whom the said insurance is placed.

My next point is in connection with the cost per flying hour—including oil and gas—in the air observer schools. I should think there would have been a large reduction in that connection. In 1941 the costs amounted to $5.68 per hour, which I submit could be greatly reduced. I would like to have the figures for the various schools.

The next matter I want to take up is that of catering. Under the old agreements the amounts which were allowed per pupil for staff amounted to ninety cents a day, and in most cases it was done by catering companies such as Crawley & McCracken Company Limited and George Coles Limited. The criticism I previously made of this item was that too much was being paid to these companies and that a considerable saving could take place; and I notice in the new agreement a saving which I compute at about ten per cent.

Mr. POWER: About ten cents a day, is it not?

Mr. DIEFENBAKER: From now on there is the 50-cent rate in place of the rate which heretofore applied.

Mr. POWER: But we have to pay the army for the rations which they supply. That would be about 40 cents. That is 90 cents instead of a dollar.

Mr. DIEFENBAKER: At any rate, it is a very considerable saving—

Mr. POWER: It is a saving.

Mr. DIEFENBAKER: —and along the line which has been indicated. I should like to have a statement showing the cost to graduate pupils in the air observer schools and elementary flying schools. The original amount was estimated at $1,653.57, but with the change under the new agreement I should like to get the figures in that connection.

In the press recently there was a statement to the effect that a considerable change had taken place with respect to the capital stock of the companies concerned. It was stated that the common stock had been called in, and I suggest that a statement in that regard would clear up many misconceptions touching the holding of stock. Under the arrangements with the elementary training schools, in most instances these schools were brought into being by flying clubs and sponsored by them. There are two or three of these schools, however, that are under private ownership.

Mr. POWER: One elementary school, I believe—Three Rivers.

Mr. DIEFENBAKER: There are two others, if my memory is correct, that were not directly sponsored by flying clubs. These flying clubs have secured large amounts of money in the form of surpluses, which are being held until the conclusion of the war by the various companies operating the schools,

at which time allocations will be made to the flying clubs that have sponsored the several schools, or such other disposition will be made of the moneys as may be determined by the minister.

Some indication of the profits which these elementary flying training schools have made was shown in a return, sessional paper 326, brought down in answer to a number of questions asked by myself on April 26 last. I am not going over the record of these profits in detail, but I have a suggestion to make as to the use that might very well be made of these moneys. Taking the schools in the order in which they appear, the answer is that profits, before making provision for income and excess profits tax, including the company's share of operation and maintenance savings, are fairly substantial. Take the first one, Fort William. For the first period of twenty-four weeks the amount was $16,732; for the second period $14,547; for the third period, $11,636; for the fourth period, $11,105. Then it falls away in the sixth period to $6,025.

Take Prince Albert, Saskatchewan. In the first period the amount was $9,589; then $12,166, $10,360, $3,392, $8,703, and $202. There are others but I will not refer to them by name. There are some in larger amounts—$19,000 surplus and profit during the period of twenty-four weeks; another, $25,300; another, $15,000; another, $26,900; and so on. These amounts are held, less the payment of course of income tax and excess profits tax, to the end of the war.

Mr. POWER: They have paid in $1,370,000. They are being made to give that eighty per cent to us now.

Mr. DIEFENBAKER: The minister says it is now being paid, but there is nothing to indicate that this was being done.

Mr. POWER: I do not think that was in the contract; my hon. friend is right. I have not seen anything in the contract, but we did have the right at any time to ask for a certain portion. Perhaps not the whole eighty per cent, but a large portion has been paid and the amounts come to $1,370,000.

Mr. DIEFENBAKER: That was a suggestion I made repeatedly.

Mr. POWER: Quite right.

Mr. DIEFENBAKER: I believe that to be one way in which these moneys could be controlled. On the other hand, in the operation of the air observer schools large profits are being made which will revert to the crown. As a result of the establishment of these civilian schools a large amount of money will be available after the war for aviation purposes, and I think that money might very well be used in the continuance of aviation facilities, in their extension, and to aid in the establishment of a post-war aviation scheme applicable to the British commonwealth of nations.

The other day a question was asked the Prime Minister as to whether or not conversations had been initiated between the United Kingdom and the self-governing dominions with respect to an empire plan for post-war civil aviation, to which the answer was no. To-day the British people and the British parliament itself, within the past two weeks, have been debating this question. An opportunity should be given to men who serve in the air force to become rehabilitated after the conclusion of hostilities, and it is my opinion that these moneys that now revert to the crown, already totalling a considerable sum, which will become increasingly larger as the years go by, and the facilities that are now being operated by these schools, belonging to the crown, might very well form the basis for the establishment in Canada of a basis for an empire scheme. I believe the civilian schools and the whole set-up in the old country will be utilized for the same purpose, and it is time for us in Canada to give the lead in this direction. It would benefit the men when they return after the war from service in the air force, to continue in this as a life work. Many of them will desire to do so and they should have that opportunity, and for this reason among others, we should now lay the foundations for such an all-empire air transport service.

A few days ago there appeared in the press an item setting out the attitude of the British people towards this matter. Canada has not yet participated in a conference regarding this post-war scheme with the other nations within the commonwealth of nations. I think she should, in order to establish, as it were, an all-family round-the-world transport system for the purpose of uniting still more the various nations of the empire, and, in addition to that, affording an opportunity to ensure to the men who serve in the air force jobs and positions when they return. Recently the Sunday *Times* dealt with this matter, and if I may be permitted I should like to quote what it said in an editorial; with this I shall conclude. In Great Britain there has been a most favourable reaction toward the establishment of this empire air transport system. As yet in Canada opinion has not been crystallized and there have been no representations made by Canada to the other empire nations, if I correctly understand the Prime Minister's

statement. I do think now is the time to lay the foundation for the continuance of this empire after the war, to bind it together more closely than ever before by the establishment of an empire air transport plan. In that connection I shall refer to the editorial, which sums up the attitude generally of the British people:

> London is now only eighteen hours from New York, ten hours from Cairo, eight hours from Moscow. Even the great ocean barrier of the Pacific is flown regularly many times a week at two hundred miles an hour or more.
>
> Air communication will play a major part in the lives of nations from now forward. Public discussions on both sides of the Atlantic are ahead of official thought, and reveal such weight of enterprise that international agreements on the air routes of the world are a pressing concern.
>
> A primary British need to-day is for a policy for empire air transport. At present there is none. R.A.F. transport command is doing invaluable work as a military unit. To suggest it should assume other than military functions in operating world air routes would be to court disaster.
>
> There is a strong case for starting now to design transport planes . . . but civil aviation will offer such a vast field for enterprise after the war that there seems to be no justification for restricting it to monopolistic control—unless the greater goal of full internationalization can be achieved, with all its manifest benefits.

Then it goes on to say that the British dominions and India should be parties to an Anglo-American understanding. My submission, Mr. Chairman, is that while in the past I have not always seen eye to eye in regard to the turning over to civilian companies of the elementary and air observer training of our air force, the results achieved have been tremendous. We have built up airfields and communications across Canada which will form a foundation upon which Canada can offer a great contribution toward an empire transport system. I think the minister now should lay plans, and should tell the people of Canada what those plans are, with reference to the use of our aerodromes and other facilities when the war is over, whether they will be still controlled by the government or whether it is the intention to turn them over to private companies.

I do not know that there are any other matters with which I want to deal. So far as the air observer schools and the elementary flying training schools are concerned, the new contracts do away with many of the things to which previously I took objection. I realize that while experience was being secured, naturally some portions of the agreement were not what they should have been, but I do think the minister is entitled to every commendation for having made the alterations to some of which I have referred to-day.

There is just one other point to which I should like to refer; that is the reclamation of oil in these various schools. To-day, with the shortage of oil that exists, everything possible should be done in the reclamation of oil. I know the figures so far as one school is concerned. The total value of the oil that would have been wasted at that school if a reclamation plant had not been set up was $4,104. A reclamation plant was set up at a cost of only $957, and it brought about the saving of $3,200 worth of oil within the first year. As I understand it, some of the schools do not have reclamation plants as yet, but I think for the small expense involved and the very large savings that are brought about, consideration should be given to the setting up of reclamation plants and units at each of these schools.

Mr. MacNICOL: May I ask the minister if the airfields which have been constructed either by or for his department across Canada and into the north permit the landing of planes carrying ten tons?

Mr. POWER: I am sorry I cannot answer my hon. friend. The elementary flying fields were not built for the operation of heavy types of planes, nor were the service flying fields. I do not know about ten tons, whether it is or is not a particularly heavy load. I know some of the planes weigh thirty and forty tons. I shall make inquiries, but offhand I could not say. I can tell my hon. friend that only a very small portion of our aerodromes are built for heavy machines. The elementary fields are built for the operation of light planes, generally speaking, and that is also the case in regard to the service flying fields.

Mr. MacNICOL: I have read that the heaviest load carried by the planes flying north to-day is six thousand pounds, or three tons, but that the United States bombers going to Alaska—

Mr. POWER: My hon. friend is talking about the aerodromes built for the purposes of the training plan. Normally they are not built for the operation of large transport planes, but aerodromes built for the purposes of these transport planes are capable of taking those planes carrying normal loads, and I should say possibly the ones to which he is referring are in that category.

Mr. MacNICOL: Then may I ask if the airfield being built northeast of the Pas—

Mr. POWER: I would not know.

Mr. MacNICOL: It is not under your department?

Mr. POWER: I shall inquire, but I could not say offhand.

Mr. MacNICOL: I understand that heavy bombing planes land there.

Mr. POWER: If they land there I presume it is built to accommodate such planes, but I could not say offhand whether a specific aerodrome would be capable of handling a plane carrying a ten ton load or a twenty ton load or a thirty ton load. I am not a technician, but I can tell my hon. friend that staging aerodromes, or aerodromes used for offensive or defensive purposes, normally can take almost any kind of plane. The ones built for elementary training take elementary training aircraft, which are light aircraft.

Mr. BLACKMORE: I was interested the other day when the minister indicated that he was in favour of granting commissions to as many of our young men as were qualified for them, regardless of quotas or any other ulterior motive or consideration. I wanted to raise a question in that regard. I have been told that boys who accept commissions are frequently a good deal worse off financially, after receiving their commissions, because of certain requirements made of them.

Mr. POWER: That is correct.

Mr. BLACKMORE: And which they find unavoidable.

Mr. POWER: The income tax.

Mr. BLACKMORE: No, not the income tax; certain things incidental to the dignity of their craft, so to speak. Is that so?

Mr. POWER: It is true.

Mr. BLACKMORE: Would I be in order if I were to ask the minister if that is the best way to have it? Would it not be better if the income of these boys was graduated so that the young man receiving a commission would not be worse off financially, and so that he could break even?

Mr. POWER: There does seem to be quite a discrepancy now between the pay of a sergeant pilot and that of a commissioned officer. I would hesitate to raise the pay of a commissioned officer without raising that of the sergeant pilot, and in that way we would be back to the place we started. I do not know what answer I can make to the question. Upon reading some literature from the United Kingdom government on this question I find they make the statement that a great many of their non-commissioned pilots do not wish to become officers because of the financial loss involved. I really do not know how I can grade these rates of pay in order to make it more attractive for someone to get a commission than to remain as a sergeant. I have no objection to looking into the matter, but I am afraid, if I may say so offhand, that my hon. friend is barking up the wrong tree.

Mr. BLACKMORE: The minister is quite right in his anxiety about the matter. In my view no consideration of financial reward should be troubling any of our prospective officers. I know of young men who in my opinion ought to be officers, because of the services they could render, but who, because of what to some people might be considered minor considerations, are deterred from going ahead.

Mr. POWER: Some men have refused commissions—not very many, actually, but some. But some warrant officers class 1 who are receiving equipment allowance would rather remain non-commissioned officers than accept commissions.

Mr. BLACKMORE: In any effort the minister makes which will result in our best boys becoming officers without their having to suffer anxiety because of financial arrangements, he will have my unswerving support.

Mr. GREEN: Would the minister answer the questions which were asked?

Mr. POWER: May we pass this item first?

Mr. ADAMSON: Before the item carries, a question has come to my notice to-day, and I think this is the proper place to take it up. I quote briefly from this letter:

> Enclosed please find letter read from the Montreal *Star*, regarding member of air force, aircrew, who may be grounded after honourable service, and yet whose stripes are apparently temporarily—

And so on. And then the quotation in the paper is—

Mr. POWER: I would much prefer to discuss the matter privately with the hon. member, if he does not mind.

Mr. ADAMSON: Apparently the matter appeared in the press; that was my reason for bringing it up.

Mr. POWER: If the hon. member will send it to me I shall look into it, and if necessary I will make a statement in the house.

Mr. ADAMSON: That is satisfactory.

Mr. CARDIFF: I believe about a year ago, or perhaps a little more than that, the security guards were set up. I do not know how many men enlisted in it, but I understand they are being dropped and shoved into some other part of the service. Are they being given a chance to remuster, or will they be transferred to another branch of the service without any choice in the matter?

Mr. POWER: I would say we can move them anywhere we like once they are in the service—and particularly the security guards. I do not think they had any very special qualifications. My recollection is that in respect of the security guards we just change their name. Without hesitation we would take security guards and put them on some other job without consulting them at all.

Mr. CARDIFF: Would a security guard not have the opportunity of choice?

Mr. POWER: He could talk to his commanding officer or his immediate commander, but he would not be in any category which would necessitate our consulting him if we were going to move him.

Mr. JOHNSTON (Bow River): What is the approximate number on the waiting list for air force?

Mr. POWER: Aircrew?

Mr. JOHNSTON (Bow River): Yes.

Mr. POWER: I cannot tell the hon. member the number on the waiting list.

Mr. JOHNSTON (Bow River): Approximately?

Mr. POWER: No, I cannot.

Mr. JOHNSTON (Bow River): I understand there are quite a number.

Mr. POWER: At this time there are fewer than there were. Is my hon. friend asking in connection with farm work?

Mr. JOHNSTON (Bow River): No. That brings me to a question brought up the other day, as to why it was we are not training more in the air force. I do not wish the minister to misunderstand me, because I am not trying to criticize his efforts in connection with the air force. As I said yesterday, I think his attitude is the proper one. But I have been talking to officers in the air force and their complaint was that they could train more men if they had the facilities at hand. They pointed out an insufficiency of training aircraft. I do not know whether we have not the training aircraft, or whether we have not the facilities in connection with air fields. Would the minister make a statement?

Mr. POWER: I can tell my hon. friend right away that we have a plant which is supposed to turn out a certain output of so many aircrew per annum. We have to build up our plant to its full capacity, and we are not proposing to increase it very much more. One very good reason is that we would not get the raw material if we kept on increasing it indefinitely, because there are not in Canada —I think I said this in my preliminary statement—an unlimited number of men fit for aircrew. I do not know yet; I may find out, to my cost, before I am through, that perhaps we have built a plant too big for the number of aircrew we may be able to get, as days go on. We are not being curtailed by lack of aircraft, and at this time we are not being curtailed by lack of aircrew.

Mr. GREEN: Will the minister give consideration to giving airmen on sick leave extra time to get to and from their homes? It is a pressing point in British Columbia.

Mr. POWER: That would be purely a medical matter, if they are on sick leave. The medical man would state how long the sick leave would last, and each case would be dealt with on its merits.

Mr. GREEN: For example, I have in mind a man who has been in hospital for some months, and at the expiration of that time will be given some furlough.

Mr. POWER: It depends on his condition, does it not?

Mr. GREEN: Men from British Columbia who have been in hospital in Ontario or the maritime provinces find some difficulty; for they have only a few days at home. The suggestion has been made that they should be allowed the time to travel to and from their homes.

Mr. POWER: Surely the medical man must take into consideration the injuries that have been received. I should be very glad to have particulars of any case of that kind.

Mr. GREEN: These men ought to be spending more of their time at home rather than on the train. I raised this question with the Minister of National Defence when his estimates were before us and he told me that he would discuss it with the minister. I think if the minister will look into this situation he will find that there is some hardship.

Mr. POWER: There cannot be any such thing as a uniform sick leave. A man may

have a certain disability and he is told to go away to recuperate. This period of recuperation will be longer for one disability than for another. I cannot imagine the medical men saying to a man, "You are sick and are going to get two weeks' leave," and then saying the same thing to a man who is recovering from a really serious illness.

Mr. GREEN: No, but I believe that once men in the air force are discharged from hospital they are given a sick furlough, either twelve or fourteen days.

Mr. DIEFENBAKER: I received a letter from a man who has two sons in the air force. Another son was called up recently under the provisions of the National Resources Mobilization Act and he now wishes to be transferred to the air force. There are a number of men in the army who are available for service only in Canada and who would like to transfer to the air force, but the opportunity is denied them. Apparently they are not permitted to make this transfer once they have been enrolled under the provisions of the mobilization act.

Mr. POWER: Before they actually enrolled, or whatever you call it, in the army they had the opportunity of going to the air force and volunteering for active service anywhere in the world. I will admit that there is no clear procedure laid down to provide for transfers from the army to the air force. Of course, if the army were willing to discharge them and they had the necessary qualifications for aircrew, we should be glad to have them.

Mr. DIEFENBAKER: One would think that if there are men who are not willing to serve overseas in the army and who have the qualifications and are desirous to serve anywhere in the air force, the opportunity should be given to them to transfer.

Mr. POWER: They had that opportunity when they were first called up.

Mr. DIEFENBAKER: I appreciate that but many of them did not realize their exact position.

Mr. POWER: I shall be glad to take that up with my colleague the Minister of National Defence. If there are any men who have not been willing to volunteer for active service overseas with the army and who would be willing to volunteer to go anywhere as aircrew, I should be glad to get them.

Mr. FRASER (Peterborough West): Is there a sea rescue service in the R.C.A.F.?

Mr. POWER: That is one of the answers I am to make to the hon. member for York West.

Mr. FRASER (Peterborough West): Are awards given only to the non-commissioned ranks in this service?

Mr. POWER: That is our marine service.

Mr. FRASER (Peterborough West): I understand that in Great Britain awards are given only to the non-commissioned ranks. Does that apply to the R.C.A.F.?

Mr. POWER: I should not think so, but I can inquire about that. It would be extraordinary in our service if we limited awards to non-commissioned officers or to other ranks. Is the limitation downward or upward?

Mr. FRASER (Peterborough West): Downward.

Mr. POWER: That is to say, officers do not get them?

Mr. FRASER (Peterborough West): It was stated in the British *Hansard* that officers do not get them.

Mr. POWER: There are certain awards which are not given to officers, and there are other awards which are not given to other ranks. This distinction applies through the whole service. The D.S.O. is not given to other ranks and the D.C.M. is not given to officers. The Military Medal is not given to officers and the Military Cross is not given to other ranks.

Mr. FRASER (Peterborough West): The way I read the British *Hansard* an officer in that service canot get an award; they are given only to the non-commissioned officers and other ranks.

Mr. POWER: I hardly think it applies here, but I shall inquire.

Mr. DIEFENBAKER: Will the minister give us the cost of recruiting during the past year?

Mr. POWER: We have it here.

Mr. DIEFENBAKER: We were given a statement the other day by the Minister of National Defence as to the cost of recruiting in the army.

Mr. POWER: I have it here.

Item agreed to.

3. Travel, transportation and freight, $20,838,068.

Mr. DOUGLAS (Weyburn): Would it be possible to do anything to reduce the amount of unnecessary travelling that sometimes takes place? I do not know what the experience of other hon. members has been, but in travelling back and forth across the country I have talked to many men in the

air force who seem to have done a lot of unnecessary travelling. I realize that this is not an easy thing to eliminate. Sometimes it is caused by red tape, and sometimes it has not been easy to plan ahead. I came across one glaring example, but this is not by any means an isolated one. This young man had graduated as a member of aircrew in the east and he was told to go home to Moose Jaw on leave and then to come back, when he would be posted. After his leave he came back to eastern Canada and was posted to Mossbank, which is just a few miles outside of Moose Jaw. As I say, I realize that it is not always easy to eliminate this sort of thing, but I should like to know whether it has been drawn to the minister's attention. In view of the congestion on our railroads, every effort should be made to reduce unnecessary travelling.

Mr. POWER: In the earlier days this was particularly bad, but I think it has improved lately. On my first trip to the Pacific coast I was astounded to find that most of the men there—in those days we had a surplus of aircrew and many of these men were on guard duty—had been enlisted in Nova Scotia. Some of them were as far away as Prince Rupert. There was a great deal of confusion in posting, but we have done our best to eliminate that. In the days of our early expansion, when pupils finished the elementary school training we wanted to fill up the service flying training school and we took them from almost anywhere, from the east and the west. I think in all commands to-day there are all categories of schools except the advanced training school. Probably the man referred to by the hon. member was shipped down east because they expected to send him overseas, and it may have been found that he would make a better instructor and they decided to send him to Mossbank. There has been and probably still is more travelling than there should be. I have done everything I can to eliminate it and will continue to do everything I can, because it is a serious problem.

Mr. REID: One of the complaints that has reached me has to do with the women who are joining the air force. It has been pointed out that if a girl desires to train as a wireless operator and enlists in Vancouver or New Westminster, she may be sent to Toronto or Montreal. Then when she completes her training the girl from the west is usually posted in the east, while the girl from the east is posted in the west. When a girl posted in Halifax earns leave she finds it will take twelve or thirteen days of her leave to go to the west coast and return. Could not a wireless school be established in British Columbia, and could not girls and men from the west be posted in the western provinces?

Mr. POWER: It would be pretty difficult to do that. We have a certain number of wireless schools established, I believe four. At one of them, in Montreal, we took out most of the men who were learning wireless operating, ground, and placed women there. There are not very many come in at each intake per month. We find it very difficult to establish another school, except at great cost; and even if we did, we might find that we could not take care of the output because there is a limited number of positions for wireless operators, ground, in Canada. The women who take up that course are mostly destined to remain in Canada.

Mr. MacNICOL: Has the minister the break-down of this item for travel, transportation and freight?

Mr. POWER: The amount of $13,255,695 for travel is made up as follows:

Staff travel	$ 3,848,000
Pupil postings	7,114,705
Pupils and escort parties (chiefly Australian and New Zealand)	1,111,790
Annual and pre-embarkation leave	1,091,421
University air training corps	7,779
Civilian travel, including departmental administration	82,000
Total	$13,255,695

The probable expenditure last year was $10,800,000. We are spending more this year because we have more personnel.

Mr. MacNICOL: What is the break-down of the items for transportation and freight?

Mr. POWER: I will get that in a moment.

Mr. BLACKMORE: I should not be surprised to learn that the minister had been working industriously to get free transportation for the men in the air force on embarkation leave and on furlough. Am I correct in my supposition?

Mr. POWER: I am afraid I have to say that I adhere to the established policy for the three services, which is not quite free transportation on embarkation leave. I have a long statement here on leave. It is similar to that which was given in connection with the army. We have a joint committee for army, navy and air force before which we

thresh out any suggestion of discrimination as between the three services. All three services follow the same rule as to leave.

Mr. BLACKMORE: I do believe that we should give free transportation on embarkation leave and on at least one furlough, no matter where the men may be stationed. As matters are now, the boys who come from poor families are at a disadvantage because all the money they can spare is used to help their folks. The result is that many are not able to go on leave. I think this matter should be taken up in the interests of justice.

Mr. POWER: That matter was thoroughly discussed when the army estimates were before the committee. I do not know that there is anything I can add. I think the Minister of National Defence said that he was going to give the matter further consideration. I have no objection to taking it up again at defence council, where the three services meet and discuss their common problems, to see what we can do about it.

Mr. BLACKMORE: I urge the minister to take it up and use all the pressure he can to put it through.

Mr. MARSHALL: The minister will recall that a couple of days ago I asked about radio technicians. Can he make a statement now on that?

Mr. POWER: I have the answer here but it will take some time to read it. Perhaps it would be as well if we got on the record all the questions that are to be asked so that we could have the week-end to work over them. If not, I will answer now the questions we have at present.

Mr. DOUGLAS (Weyburn): My colleague the member for Cape Breton South was called out of the house but he has one matter to bring up which I will mention and perhaps the minister will give the information. It is a complaint from a man in the air force who joined at Sydney, Nova Scotia, was moved to Halifax and then to Toronto. He claims in his letter he was three nights on the train without any berth and no meals supplied. He is under the impression, whether it is correct or not I do not know, that when men move west of Toronto they are supplied with meals and berths. But the writer of this letter says that these men who came to Toronto from the maritimes got no meals or berths and on the last night they had to stand up in the day coach. This man certainly seemed to have had an unfortunate experience.

Mr. POWER: If it is a trip of only one night he does not get a berth. There is no distinction made between travelling east and west of Toronto. I think the Minister of National Defence made a statement on this question with reference to the army. The same thing applies to the air force. We get the same treatment as the others.

Mr. DOUGLAS (Weyburn): This is a man in the air force, not the army.

Mr. POWER: They do not get a berth if they are travelling only one night. If it is more than that I cannot say at the moment what accommodation they get, but there is no regulation that prohibits a man from getting a berth. I think he would be entitled to one if he was travelling more than one night. I am informed that it is in the regulations that he should get one. If he did not, he should have made his complaint to the proper authorities.

Mr. DOUGLAS (Weyburn): He was three nights on the train and got no berth and no meals.

Mr. ADAMSON: I understand that members of the women's division are provided with berths, the same as in the army.

Mr. POWER: We changed the rule some time ago.

Mr. ADAMSON: They get a berth if they are travelling only one night?

Mr. POWER: Yes.

Mr. BLACKMORE: How is the amount spent on transportation divided between the Canadian National and the Canadian Pacific railways?

Mr. POWER: I do not think I have that information here, but I can get it for my hon. friend. It is about fifty-fifty.

Mr. BLACKMORE: Perhaps the minister will include those figures in his general statement on Monday. I have another question. Is any of the freight from central Canada to the maritimes routed through the United States on American lines? If so, how much?

Mr. POWER: I will look that up.

Mr. BLACKMORE: I have had one or two bitter complaints from Nova Scotia and one from New Brunswick that too much freight was being routed through the United States at the expense of Canadian railways.

Mr. POWER: My hon. friend is probably thinking of the short line through Maine to Saint John, New Brunswick, instead of going around by the Canadian National.

Mr. BLACKMORE: Yes.

Mr. POWER: We will check on that.

Mr. BLACKMORE: Many people in the maritimes feel that this is discrimination against them.

Mr. POWER: I spent a lot of time in that section of the country, and I can assure my hon. friend that freight trains there are passing so frequently that I think that is about all the traffic the Canadian National Railways can bear. That is, I would think so as a mere spectator.

Item agreed to.

4. Construction, purchases, repairs and operating expenses of properties:
(a) capital expenditure..... $93,421,100
(b) repairs, operating expenses and rentals..... 13,482,925

Mr. GREEN: This vote for capital expenditure is approximately $93½ millions. It is true that is a reduction from the amount spent last year, but it is a very large amount of money. Is any provision made for checking the types of buildings that are being put up for the air force, for example, the equipment depots? I have had complaints to the effect that they are far more expensive in construction than they need be—after all, they are only for use for a few years—and should be of a more temporary nature, and that a great deal of lumber and building material is being wasted in them, and also much labour is required which would be very useful in building homes and doing other construction work. Are all the plans made and passed in the air department alone, or is there some other department which checks to see that they are not too extravagant?

Mr. POWER: I do not know that there is any other department which checks them. We have a works and buildings development committee, composed of officers of our department, who go over the plans and specifications of every one of these buildings. There is no other department which checks; I do not see how there could be. The plans and specifications are submitted to the chief engineer, works and buildings—

Mr. GREEN: In the minister's department?

Mr. POWER: In our department. We have a branch of works and buildings. Then it goes to the deputy minister, and eventually comes to me for the financial encumbrance necessary to raise the money to put up the building. I think most of the equipment depots are on a model of some kind. In some places they may be greater in scope than in others, but I think the model is there; the type of building is one for which specifications were laid down some time ago. My hon. friend is thinking, perhaps, of the equipment depot in Vancouver. A lot of stuff has to go in there.

Mr. GREEN: I simply use the equipment depots as an illustration. Hundreds of millions of dollars are being spent each year on buildings by the Department of National Defence and apparently there is nobody to check them. Contractors have come to me and said it is ridiculous that the buildings should be of the type they are, that they are costing far more than they should; and it seems to me that some of the buildings I have observed in process of going up are far bigger than are required for the number of men who are to use them. Of course I am not an expert on the subject, but I think there should be some check, probably by the Department of Finance, on these plans and on the amount of money which is going into buildings most of which will be absolutely useless once the war is over. I believe the country is losing millions of dollars in this way.

Mr. POWER: I do not think the Department of Finance has at its disposal a corps of engineers or any thoroughly qualified person —a constructor or engineer or somebody like that—for purposes of checking. We go to treasury board or to council with an appropriation for so much money to build an equipment depot or some other building, but I am sure the Minister of Finance of his own knowledge cannot know whether I am building too extravagant a building or one which is too ornate for the purpose. I do not know how checking could be done other than by superimposing a corps of engineers over all construction, including that of the Department of Public Works.

Mr. GREEN: During the war would it not be wise to have some board of that kind set up in the Department of Finance?

Mr. POWER: So far as we are concerned it would not be of much use. We are practically finished. We are spending 39 millions this year on all these plans which are now in, and I imagine it would be more trouble than it would be worth to change the plans. Specifications have been drawn for everything we propose to build. If we have to put up a new school, we have the type of buildings which go with each school, so many buildings, so many feet long, so many feet high and so many feet wide, to accommodate so many people. The specifications are laid down for the mess hall, recreation hall, and so on; the hangar

is so big, or it is a double hangar. All that kind of thing is just a matter of taking the blueprint out of a drawer and going ahead with it, in any normal construction that we require.

Mr. GREEN: The point is a very serious one because of the difficulties in building homes across the country.

Mr. POWER: I will admit to my hon. friend that, in the hurry to get things done, put up buildings and have our schools going, perhaps at the start there may have been some lack of supervision. I was camping on the trail of these engineers to get the buildings built, the schools opened, and if they have spent a little more money than they need to have done I suppose I must take the blame for it. But now it is standardized, and I do not know how money could be saved unless we had a committee of some kind going all through every type of building we have and checking up on it.

Mr. GREEN: I believe there could yet be quite a saving on buildings to be erected in the future.

Mr. LOCKHART: In connection with this amount, which almost parallels the previous year's expenditures, could we have information as to more recent developments, with particular reference to the middle western provinces, and the amounts which have been or will be spent on totally new projects?

Mr. POWER: "Will be" or "have been"? If it is "have been", since when?

Mr. LOCKHART: I will not go back to the original commitments, but within recent months some very heavy expenditures have been entered upon. Could a break-down be given of where those are, the amounts which are to be expended, and perhaps some information as to why that large amount is being expended? I refer more particularly to the central part of Canada.

Mr. POWER: To Ontario?

Mr. LOCKHART: It has come to my attention that large amounts are going out—

Mr. POWER: Does my hon. friend want me to give him a list of the construction works going on in Ontario?

Mr. LOCKHART: The more recent commitments in the construction programmes.

Mr. POWER: I do not know what my hon. friend means by "more recent".

Mr. LOCKHART: Anything that has been developed in the past six to eight months, where purchases of sites have been made and large contracts have been entered into. Could we have the names and the locations of those places?

Mr. POWER: I think I can give that information. Perhaps this would satisfy my hon. friend. No. 1 training command, Ontario: I have a long list here, $4,122,000 of construction under way which started on September 1, 1942, and was still in progress on June 1, 1943, together with additional construction recently authorized. Would that be satisfactory?

Mr. LOCKHART: Yes.

Mr. POWER: That is about what my hon. friend wants?

Mr. LOCKHART: Could that be put on *Hansard*?

Mr. POWER: I could put some of the tables on *Hansard,* but I would not like to put them all on *Hansard,* because I would get in the eastern air command, which takes in home war stations, and the western air command, which also takes in war stations, and these are defensive or offensive aerodromes and for security purposes we do not like to record them publicly. I will give the hon. member all the training items if he wants them. Is that satisfactory?

Mr. LOCKHART: The criticism arises from competent contractors who have seen developments within the last six months to a year where large amounts have been paid for sites and large contracts have been entered into in the last year for buildings. They question the justification for the extravagant construction as well as the necessity for so tremendous an expenditure at this stage of the war.

Mr. POWER: I will read to my hon. friend a list of the places, and he can tell me which one of them is criticized.

Mr. LOCKHART: The minister might deal with the western part of Ontario and the central western provinces. That is where the criticism came from.

Mr. POWER: I will read the names rapidly: Belleville, Oshawa, Mohawk, Mohawk, Malton, Kapuskasing, Windsor, Jarvis, Kingston, Mountain View, Angus, Aylmer, Centralia, St. Catharines, St. Catharines, Goderich, Mountain View, Trenton, Dafoe, Winnipeg, Gimli, Gimli, Souris, Fort William, Davidson, Rivers, Neepawa, Rivers.

Mr. LOCKHART: Will the minister give a break-down of those that are included in the central western provinces, excluding British Columbia and Ontario. I should like

to get the western provinces, particularly the central western provinces, Alberta, Saskatchewan and Manitoba.

Mr. POWER: In No. 4 training command the names are: High River, Edmonton, Edmonton, DeWinton, Caron, Assiniboia, Calgary, Dawson Creek, Calgary, Mossbank, Edmonton, Macleod, Bowden.

Mr. LOCKHART: Could we have a break-down of these particular places?

Mr. POWER: Perhaps I had better put it in this way. In No. 1 training command, Ontario, there is $4,122,000 worth going on.

Mr. LOCKHART: That is mostly additions.

Mr. POWER: Yes. In No. 2 there is $2,600,000, all additions. In No. 3 there is $5,403,000. In No. 4 there is $1,767,000. I can give the total amounts in the eastern air command and the western air command. In the former it is $3,424,000, and in the latter, $11,591,000. They do not group headquarters on the eastern coast, but the amount for No. 1 group headquarters is $2,433,000. Miscellaneous amounts to $9,190,140. The total is $39,155,523. There are some very large figures such as Comox, $1,895,000. That is a new aerodrome.

Mr. LOCKHART: Will the minister put on the record new constructions that have developed within the year. He need not bother with the small extensions to different airports, but will he put on record the new programme that has been developed in any part in connection with which he can give information?

Mr. POWER: I will do that.

Mr. LOCKHART: Perhaps the minister could give us just a brief table indicating these large expenditures.

Mr. POWER: Anything over half a million?

Mr. LOCKHART: Anything that is considered new construction; anything which is an entirely new venture in connection with the department.

Mr. POWER: It is difficult to say what is a new venture because this was all planned two years ago—well, not all, but a good deal of it—and we were committed to it in advance by our arrangements. Perhaps the hon. member would like information on new construction started, or for which there were contracts.

Mr. LOCKHART: Make it two years instead of one.

[Mr. Lockhart.]

Mr. FAIR: Is a new airfield being constructed at Wainwright?

Mr. POWER: I do not think so, offhand, but I will find out. There was talk of one some time ago, but I am not sure. It may have been dropped.

Mr. FAIR: I understand that some land has been arranged for in that district.

Mr. POWER: I do not think there is construction going on at the moment, but I will inquire.

Mr. FRASER (Peterborough West): What is the value of the buildings which the air force owns in Britain, and what arrangements have been made with the British government with respect to buildings there?

Mr. POWER: I do not think we have purchased any. We have rented at different places. We have a rented building in London, and others in other places, and we are operating on a rental basis. I do not think we have purchased anything, but I will check on that.

Mr. FRASER (Peterborough West): Has the department built anything there?

Mr. POWER: I do not think so. It would be very small if we did. However, I do not believe there is anything. There may be small temporary buildings.

Mr. DOUGLAS (Weyburn): Could the minister give a break-down of the $110,000,000 last year, and $93,000,000 estimated this year, as apportioned to the three branches of his department, overseas, commonwealth air training and the western command.

Mr. POWER: I think I can give that, with a reservation. I would not give it for home war or hemisphere defence. I might give a lump sum, but I would not indicate where the aerodromes are.

Mr. DOUGLAS (Weyburn): Only the total.

Mr. POWER: As regards the air training scheme, I do not think my officers will object to my giving the whole amount itemized for each particular undertaking. That will cover the answer to the question asked by the hon. member for Lincoln (Mr. Lockhart):

Mr. POTTIER: Could the minister give the total amounts for the eastern defence area and the Pacific defence area? I should like to get the gross total in each case.

Mr. POWER: I will try to get that.

Mr. FRASER (Peterborough West): Will the minister give the reason for the increase in

rentals? I cannot see the exact amount, on account of the lights being out, but it is over $4,000,000.

Mr. POWER: The increase is, in all probability, due to the fact that the new schools are getting more accommodation. We have more personnel. Offhand, however, that would be the answer.

Mr. FRASER (Peterborough West): Why is all that rented?

Mr. POWER: We are probably getting more accommodation.

Mr. FRASER (Peterborough West): If the minister does not know now, perhaps he can answer afterwards.

Mr. POWER: I am trying to think of an instance where we have opened in the last year a school wherein we probably spent a considerable amount in rental.

Mr. FRASER (Peterborough West): Could the minister tell us on Monday? There is $4,000,000, which is a lot of rental.

Mr. DIEFENBAKER: Is it the intention of the department to start further elementary flying training schools under the Royal Canadian Air Force?

Mr. POWER: It is not the present intention.

Mr. DIEFENBAKER: One was established during the past year in Davidson, Saskatchewan?

Mr. POWER: Yes.

Mr. DIEFENBAKER: And it is not the present intention to start more?

Mr. POWER: It is not the present intention to increase the number of elementary schools.

Mr. MacNICOL: Before the item carries I wish to make an observation. I remember very well that when the minister was on this side of the house he was a really good questioner and nothing went through when he was not perfectly satisfied with the answers given to questions asked. But he sees how futile it is for us here to-day. We are completely helpless. What can we do? What can we ask? An item of $93,421,100 is before the committee, and the Chairman says, "Carried". What can we do? The country looks at us and says our efforts seem like a joke, and that is very largely true. An ordinary country grocer will receive a bill of goods. He has his invoice and he checks off that invoice: two dozen cans of Aylmer peas, two gross of clothes pins, one box of prunes, and so forth, but we are helpless; we have no details, nothing about which we can ask.

Mr. POWER: Why do you not ask the questions? I am willing to answer every question that is asked. I rise to a question of privilege, Mr. Chairman; I have not refused an answer to any question.

Mr. MacNICOL: I know, but the minister cannot give us the details.

Mr. POWER: I will give all the details; I have files of them right here. At the beginning of this sitting I stated that if the committee wanted me to answer questions I would do so, and if hon. members said they wanted me to answer the questions on Monday I would do so. I do not want my hon. friend to give the impression that I have refused to answer questions.

Mr. MacNICOL: I did not.

Mr. POWER: Let my hon. friend play the game; if he has any sensible questions to ask, let him do so.

Mr. MacNICOL: I do not ask anything but sensible questions, and I resent the minister's saying that. He is getting off very easily.

Mr. POWER: I do not care how hard you make it for the minister; I will answer every question that is asked.

Mr. MacNICOL: The minister could not answer the question of the hon. member for Lincoln.

Mr. POWER: The minister certainly could not give a list of over one hundred establishments out of his head, and he could not read it with the lights off.

The CHAIRMAN: The minister has raised a question of privilege. I am sure the committee realizes that the minister is ready and willing to answer all the questions possible. Then the hon. member for Davenport stated that the Chair called, "carried, carried". I very seldom say that; some hon. members often call "carried", but there is no desire on my part to rush or press the committee unduly.

Mr. MacNICOL: The sum of $93,421,100 is a large amount to pass in a few minutes' time.

The CHAIRMAN: I thought we might have to pause for a while because of the *Hansard* reporters, who have been writing in the dark, but now that they have some light we may be able to carry on.

Mr. MacNICOL: We cannot read the figures we have before us.

Mr. GRAHAM: Has the department any control or management over the expenditures or the training syllabus of the Royal Air Force schools in Canada?

Mr. POWER: The Royal Air Force schools in Canada are now part and parcel of the combined joint air training plan, and for purposes of expenses, control and administration they are under the control of the Royal Canadian Air Force.

Mr. HANSELL: The discussion has been very lively for the last few minutes, but perhaps we are still in the dark. Personally I do not expect the Minister of National Defence for Air to be able to answer every question in regard to the building programme of his department, and I will tell the committee why. I think it is generally recognized that the purchase of land, the letting of building contracts, the supplying of materials and so forth come under the Department of Munitions and Supply. I point out at this time, and suggest to the minister that I may elaborate upon it further when the estimates of the Department of Munitions and Supply come up, that I think it will be discovered that the engineers, perhaps the architects and others who come into the picture at the commencement of any building operation, have erred in their plans and their judgment too many times, with the result that when construction has been completed something has been found to be faulty or something has been discovered which has put the government to tremendous expense in connection with some mistake or something unforeseen which should have been discovered by the engineers or those responsible for letting the contract in the first place. I do not expect the minister to be able to answer all those questions, because in my understanding he is concerned with training men. He knows the location of these schools, of course; he knows the personnel, and so on, but I doubt whether he knows very much about the materials that go into the buildings.

Mr. POWER: I am afraid I must take some responsibility for that, because the plans and specifications are drawn up by my department, so that really I would be responsible for what the hon. member has mentioned. Those were the questions that were asked this afternoon by the hon. member for Vancouver South. The Department of Munitions and Supply is our contractor, but we give it the order, so that I must take responsibility at least for that.

[The Chairman.]

Mr. HANSELL: If the minister wishes to take the responsibility for what I have in mind he may do so, but I doubt very much if he will be able to tell us why certain things happened. I shall give him a specific case, and perhaps the Minister of Munitions and Supply will deal with it when his department comes on. A certain air training school was located at a certain place.

An hon. MEMBER: Name?

Mr. HANSELL: It was the air training school at Vulcan in Alberta. This is a large school; the buildings are well constructed, and I have no hesitation in saying that it is a fine location as far as appearances go. But when the school was located there and the construction completed they discovered that they did not have enough water to supply the school. Of course at first sight one would say that surely the engineers would have discovered that, because that is why they are sent out there. But they did not discover it. The result has been that they have had to dig huge ditches and put in huge pipes—pipes which could be used for other purposes in our war effort—in order to bring that water for a considerable distance, not yards but miles. If my memory serves me aright, that water has to be pumped about ten miles.

I mention that only as one instance. I do not know how often these things happen throughout the country. I am not offering severe criticism at the moment; I am using this only as an illustration. Surely we should have engineers capable of discovering these things before a project is commenced, and I might add that the particular project to which I have referred was not one of the early ones; it was completed only recently. Surely by this time the engineers should have learned that one of the essential things in connection with an air school is an adequate water supply.

Another matter to which I should like to direct the minister's attention has to do with the salvaging of materials after the construction of a school has been completed. I believe I can say—and the minister can correct me if I am wrong—that there is nothing salvaged after construction work is completed; that the contractors themselves will sell that material and that the government will not receive any benefit from the sale of it. How much it amounts to, I do not know; it may not amount to much. On the other hand it may amount to a great deal. I do not know whether a check is made of how much material is necessary for a building, but I do know that these air training schools are well built.

I have no complaint about that; they should be well built. There is a tremendous amount of material used in them, and also a tremendous amount left over when a building is completed.

I moved for a return some time ago in which I asked the names of those who had bid on salvage, together with any offers accepted. The only offers made were in respect of old buildings on the locations—farm houses and barns. I shall have more to say on that point later on. I know for a fact, however, that much of that material was sold. I know it because I know the people who bought it. The return did not indicate that the government had received payment for that material. How much it might have been, I do not know, nor do I know how much it was sold for.

Mr. GRAHAM: In the contract to which the hon. member refers, was there a tender price by the contractor, in which he supplied material; or did the government supply the material?

Mr. HANSELL: I do not know. Is the hon. member referring to the building of the school?

Mr. GRAHAM: Would that not be an important point?

Mr. HANSELL: It might be. The minister can give us that information, if he wishes.

Mr. POWER: Is this at Vulcan?

Mr. HANSELL: Yes, the Vulcan school. The hon. member for Swift Current has said that this is an important matter. Well, it might be important. But if it is, then surely there should be some check on the amount of material wasted, because, so far as I can see, if there is a clause in the contract stating that the contractor will own the material that can be salvaged, we had better make a careful check. Under such a contract he could waste a large amount of material.

These air training schools are not little shacks out on the prairie. They are huge institutions—and I am glad they are, because our boys should have the very best training and the very best accommodation. I am not complaining about that. But I do say that either the Minister of National Defence for Air or the Minister of Munitions and Supply should answer this question in respect of buildings.

I have another question on the order paper, but if I asked with respect to it, before it was answered, I might be accused of hitting below the belt. The point I make is that engineers should be absolutely qualified, and should make no mistake when they decide on a location for a school. The plans should be complete, so that no mistakes can be made which would lead to turning down the whole scheme, or to having water piped in for a considerable distance.

Mr. POWER: I have a break-down with respect to travel and transportation, and freight and drainage. It is as follows:

	Travel and transportation	Freight and drainage	Total
Combined training organization	$13,255,695	$3,500,000	$16,755,695
Home war	2,058,173	1,902,000	3,960,173
Overseas	117,200	5,000	122,200
Total	$15,431,068	$5,407,000	$20,838,068

Mr. MacNICOL: Has any part of this item to do with supplying water for the school at Mossbank, Saskatchewan?

Mr. POWER: Yes; it would be somewhere in there.

Mr. MacNICOL: I have neither my figures nor my maps before me, but I understand that the water for Mossbank comes from the water supply at Moose Jaw. Does it?

Mr. POWER: I know there was considerable trouble about the water supply at Mossbank a year ago, and I cannot tell my hon. friend whether it has been remedied. I would not think the water would come from Moose Jaw, because that is a long distance away, about forty miles, I believe. I shall try to find out whether the trouble has been remedied, and where the water comes from.

Mr. MacNICOL: And where does the water come from to replenish the water supply in Moose Jaw, from which the Mossbank supply is drawn.

Mr. POWER: I think it was carried.

Mr. MacNICOL: I do not know whether the water is supplied from a point near Riverhurst on the Saskatchewan.

Mr. POWER: My impression is that it had to be carried a long distance to that school, and there was considerable trouble about it.

Mr. DIEFENBAKER: I know something about this matter. Two locations, namely Mossbank and Dafoe in Saskatchewan, were chosen as locations, before any question of water was placed before officials of the Department of Transport. Then, when the airport was established at Mossbank I believe about $110,000 had to be spent before they got water. During that period a man hauled it.

Mr. POWER: Correct.

Mr. DIEFENBAKER: Following up what my hon. friend has said, I should like to obtain a record showing the cost for the securing of water at various airports. I understand the International Water Supply Company of London, Ontario, was hired to go out and locate water. Unfortunately, however, at two points in Saskatchewan locations were made and establishments begun before any question was raised as to the necessity of having available an adequate water supply.

Mr. POWER: I said in the house that this was the driest country on earth. It may be filled with lakes and rivers, but it seems to me that every time we started a school we ran short of water.

Mr. DIEFENBAKER: You picked two of the driest in the dry.

Mr. MacNICOL: Does the minister not think the original survey plans in connection with the building of an airport or a school at Mossbank should have shown whether there was any water for a camp, or whether water was available?

Mr. POWER: This was one of the early camps, and we were in a great hurry at that time to bring schools in and have them completed, so that we could place pupils in them. If I understand correctly, this contract was given by the Minister of Munitions and Supply, and I understand a contract was let to the International Water Supply company to find water for these camps throughout Canada.

Mr. MacNICOL: I shall leave my question, then, for the Minister of Munitions and Supply.

Mr. POWER: But I wish to say to my hon. friend that when we could not get water fast enough in certain cases we have had to make our own arrangements to have water carried to us. That is the matter to which he is referring, in connection with Mossbank. We paid for the carrying of water to Mossbank, because we had not developed a well which could feed us sufficient water. I think part of what my hon. friend wants would be under me, and the part about having made provision and having had the foresight to get the water would be under the Minister of Munitions and Supply.

Mr. MacNICOL: I hope the minister will not take any question I ask as criticism.

Mr. POWER: No; I am thankful for your having asked them.

Mr. MacNICOL: Those who know anything about the situation in that part of Saskatchewan realize the difficulty there is in getting water. My memory is that Moose Jaw is now trying to obtain water from the Saskatchewan river near Riverhurst. I believe a small dam has been built in the river and the water is to be or is being pumped over the height of land, which is rather high, and carried by pipe or trench to the water field that supplies Moose Jaw. If the airport and the school at Mossbank get their water from Moose Jaw, I was wondering if the government considered it their responsibility to pay part of the cost of building the conduit from the Saskatchewan river to the field from which Moose Jaw gets its water, and also part of the cost of pumping the water up over the height of land. If the government has paid anything, I should like to know how much. They should pay something, at least the cost of supplying their own water requirements.

Mr. POWER: I shall find out.

Mr. DOUGLAS (Weyburn): Could the minister give us similar information in connection with Dafoe and Assiniboia; that is, as to the condition of the water supply and what money has been spent, since these airports were opened, to haul water? I notice there is quite a large item for hauling water at Mossbank.

Mr. POWER: Right.

Mr. GRAHAM: In answer to a question by myself the minister stated that the Royal Air Force schools have now been made a part of the commonwealth air training plan. Does that mean that the appointment of officers will now be made by the minister's department?

Mr. POWER: No.

Mr. GRAHAM: Are they still to be made by the Royal Air Force?

Mr. POWER: I shall answer my hon. friend by quoting the agreement.

Mr. GRAHAM: In regard to pay and allowances.

Mr. POWER: The agreement is dated June 5, 1942, and covers the administration of Royal Air Force schools in Canada. It amends and extends the British commonwealth air training plan. I quote from page 14 of appendix 2 as follows:

The R.A.F. units in Canada will be administered by the Royal Canadian Air Force in the same manner as units constituted under the British commonwealth air training plan, provided that:

(i) they will preserve their R.A.F. identity.

(ii) existing arrangements concerning consultation with, and concurrence of, the United Kingdom air liaison mission on personnel and administrative matters will remain. Such arrangements may be varied by agreement between the governments of the United Kingdom and Canada, as required by circumstances.

Mr. JOHNSTON (Bow River): I think one of the first things that should be taken into consideration when deciding on an airport is the available water supply. Before any development is carried on at all, it should be definitely decided whether a water supply is available. However, that is not what I rose to speak about. I do not know whether the minister will be able to answer this question, but it has to do with airports. I have received certain correspondence from the amalgamated building workers of Canada, Calgary unit No. 1, which is located at the supply depot. It would appear that the cost of living bonus is paid to civilian carpenters working on this job, while the carpenters who are in the civil service, although at one time they did receive this bonus, are not being paid a bonus. This creates a good deal of hard feeling. At first the government employees received a cost of living bonus of three cents an hour, but this was stopped and since that time the bonus that was paid has been collected back. I will read a portion of the letter I received, as follows:

Cost of living bonus to civilian employees of the R.C.A.F. in all commands has been paid in accordance with the provisions of P.C. 6702, of August 26, 1941.

When the bonus was paid there was no objection. The letter continues:

In July, 1942, on receipt of Department of Labour correction sheet authorizing wage payment of ninety-five cents per hour plus cost of living bonus of three cents per hour to carpenters in Calgary and zone, a direction was issued in error by the air officer commanding No. 4 air training command, that wages and bonus were to be paid at such rate effective from August 1, 1942.

Later on not only was the bonus cut off, but the government is charging the employees for the overpayment. The net result is that they do not receive the bonus and are having to pay back that which they did receive, and the civilian employees are still being paid this bonus. There is a difference in wages to men who are doing the same type of work. I understand that a conference was to be called in an effort to bring about some uniformity in the wages paid to the civil service employees and the civilian employees. I will read another portion of this letter dated May 18, 1943, which I received from the treasury office, so that the minister will see exactly what has happened. I quote:

This department has had occasion previously to consult with the national war labour board regarding the difference in bonus payable to employees of the public service and those of private industry. We were advised some months ago that the situation had become so confused that a conference was being arranged with government departments and agencies concerned with the intention of establishing a uniform procedure which would result in equalizing bonus rates and payments to all civilian employees engaged in the same type of work in the same district or zone. However, to date no such conference has taken place so far as we are aware and until such conference is arranged and direction given this department has no alternative but to pay bonus to prevailing rate employees in accordance with bonus payment procedure previously laid down.

Apparently the question has risen on many occasions; the department is cognizant of that disparity, and there are hopes that something may be done. But they say that a conference was expected to be called. May I ask whether that conference was ever called?

Mr. POWER: I never heard about it.

Mr. JOHNSON (Bow River): Apparently there is considerable hard feeling about the matter, especially now when the government is paying a bonus to civilian employees and taxes these other people for payments already made through an error in the pay office. I do not know whether that would come under the minister's department, but I hope he will take note of it and do something about it.

Mr. POWER: I will look it up in *Hansard* and have it checked.

Mr. POTTIER: I understand that the Royal Air Force come within this estimated expenditure. Is that right?

Mr. POWER: Yes.

Item agreed to.

Personnel, supplies and services: Food, medical supplies and services, clothing and personal equipment, $50,451,918.

Mr. FRASER (Peterborough West): I wish first of all to congratulate Commodore Tice of the Royal Canadian Air Force Medical Service upon the pictures he has shown in

the railway committee room and upon the way in which he is trying to handle the venereal disease problem. I hope he goes all the way through with it, because it is absolutely necessary that that disease be checked not only in the army, navy and air force, but also in civilian life. May I ask whether our men who fly over enemy country are supplied with sulpha tablets?

Mr. POWER: Individually?

Mr. FRASER (Peterborough West): Yes. I ask because I know that the United States air force at Pearl Harbor were supplied with them and that saved many lives. That is why only three per cent of the casualties died.

Mr. POWER: I would not think that the men would be supplied with the tablets individually. I do not know enough about medicine to know how they could administer this drug to themselves. From the little I learned of medicine when I was in the health department I know that sulpha drugs are very dangerous to use except under medical supervision.

Mr. FRASER (Peterborough West): I understand that the United States air force took these tablets with them and that the drug saved many severely wounded men from dying.

Mr. POWER: I would not know about that.

Mr. GRAYDON: May I ask the minister whether he has given consideration to the point raised by the hon. member for Renfrew South while the army estimates were under consideration by the committee? Not being a medical man I hesitate to pass any opinion with respect to the position which he took, but he indicated that there should be a royal Canadian medical corps which would not be divided between the army, navy and air force. I think the Minister of National Defence rather indicated that there should be some joint system. Has the minister given any consideration to the suggestion of the hon. member for Renfrew South, and would he care to make a statement?

Mr. POWER: My officers do not think much of the suggestion. The medical officers of the department say that to a larger extent than was indicated by the hon. member for Renfrew South there is an air specialty, a special need for medical work in research and elsewhere in relation to the air force. I have sent over to my hon. friend some pamphlets prepared by our medical services. These have been prepared and printed in this expensive way—I show them to my hon. friend now—by the insurance companies of Canada, for distribution among the civilians of Canada. Here is one entitled, "What they eat to be fit is good for the health of all Canadians." I think this would indicate that in nutrition we are considerably in advance of the ordinary civilian medical practitioner. Our medical officers have gone into nutrition in its relation to flying. They have studied, for instance, what effect riboflavin has on eyesight. That has been carefully studied and many experiments have been made in connection with it. An hon. member spoke of films the other day. We have developed a film based on this training pamphlet. It has been shown recently in the United States. It was shown first of all to our own people and then to insurance executives throughout the country, and recently it was shown in Toronto to the executives of the Twentieth Century Fox Corporation, Famous Players and others. I have received this letter from the head of Famous Players Canadian Corporation which I think would be of interest to put on the record:

We are of the unanimous opinion that this subject, which is so well done—

It was done by ourselves in association with Associated Screen News.

—can be of inestimable value to the health of Canadian citizens and suggest that, if possible, the R.C.A.F. make the film available for motion picture theatres so that it can be shown to the civilian population throughout Canada.

We think so well of this subject that Famous Players, as a theatre operating company and as a service to the Canadian public, would cheerfully pay for the printing of the necessary positive film in colour to make this subject available for the theatres of Canada. To get proper coverage this would require 12 positive prints. Also, we would order one 35 mm. print in colour which would be delivered to the R.C.A.F. for use as they see fit.

Famous Players operate or have an interest in approximately 340 theatres having a total seating capacity of about 310,000. However, it is not our intention that the film should be shown exclusively in our theatres but it should be made available for all theatres in Canada that wish to show it and we estimate that during the life of this film it will be shown to somewhere around five million people.

Paramount Film Service of Canada have volunteered to distribute this film without charge and Canadian theatre owners generally will be advised through the Canadian Motion Picture Trade papers that this picture will be available for use in their theatres by applying to Paramount Film Service.

That was a specialty, nutrition, developed by our Royal Canadian Air Force Medical Service. We have also gone into other spheres, particularly pressure chamber work, black-outs—human black-outs—and things of that

kind. Our people really think they are doing a good job in their particular line, and I do not believe they would be keen on changing over to the army, where a good many of them came from.

Mr. FULFORD: I should like to call to the attention of the committee the service that is being rendered by the Red Cross society in the building up of blood banks. I do not believe there is any other contribution that the Red Cross is making to our war effort which is of more value than the blood banks. I believe the minister will corroborate me when I say that they are being used extensively not only in the air force but in the other two branches of the armed services.

Let me give one specific case. A young pilot officer whom I happen to know was shot down over the Mediterranean while serving in the defence of Malta. He was rushed to hospital in Malta, and one of the first things done for him was to pump blood plasma into his system. There is no doubt that this saved his life. Altogether he had fifteen pints of blood pumped into his system, of which six were of the plasma type collected by the Red Cross. My reason for mentioning that at this time is that I believe there are a great many right here in this House of Commons who would volunteer to give their blood to-morrow if they knew how simple the process was, and go to the Ottawa Red Cross on Metcalfe street. I happen to be a donor, and I can tell the committee frankly that it does not hurt any more to have your blood taken than it does to prick your finger; in fact, apart from having an abnormal thirst, you feel better afterwards than before you go in.

The hon. member for Peterborough West mentioned the efficacy of the sulfa drugs. I believe that blood plasma ranks in importance with the sulfa drugs in saving lives.

Mr. FRASER (Peterborough West): I agree with the hon. member on that.

Mr. FULFORD: All hon. members between the ages of twenty-one and sixty years who weigh over 120 pounds and whose blood is up to the proper standard can donate their blood. I know of no greater contribution that they can make to the armed forces of Canada than by becoming blood donors with the Canadian Red Cross.

Mr. FRASER (Peterborough West): I am pleased that the hon. member for Leeds brought this matter up, because I know that in the army everything possible is being done to enable men to go to the blood donors' clinics. I have not heard what is being done in the air force, but I trust that the ground crews, at least, will be able to go to the clinics.

Does the minister know what the findings were in regard to the investigation at No. 35 elementary flying training school, where one man died following toxoid inoculation, on May 19, and a number of others were in the hospital?

Mr. POWER: I saw an item in the paper on this matter and have made inquiries. When I last asked, yesterday or the day before, the inquiries were not quite completed. I do know that quite an investigation is going on. A man, whose name I think is Fraser, from the Connaught laboratories of Toronto, also the deputy minister of health for Manitoba, Dr. Jackson, and some other prominent civilians, went out to make inquiries. We are having an inquiry of our own, but I do not think it is completed. It looks as though the incident is one which needs to be thoroughly investigated; one man died and about thirty were laid up as a result of inoculation. Whether the blame is to be ascribed to the persons who did the inoculating, or whether there was something wrong with the material, or whether the incident is the result of some other circumstance, I have not yet been able to ascertain.

Mr. FRASER (Peterborough West): That is what I wish to find out.

Mr. POWER: Yes; I have the matter very much in mind.

Mr. GRAYDON: In connection with the clothing of the air force, I notice that there is a change in certain branches as far as summer uniform is concerned. Does that apply as well to the women's division?

Mr. POWER: Yes. We are going to have another summer uniform. It is out, but I have not seen it yet.

Mr. FRASER (Peterborough West): Are the members of the Royal Canadian Air Force who are going on night operations given vitamin A tablets? I believe these tablets are provided in some parts of the United States, also in Great Britain, in large doses.

Mr. POWER: I do not know. I will find out. I know we are doing our best to see that the eyesight of our men is improved and that they are generally in good condition. I do not know whether vitamin A is what is used.

Mr. FRASER (Peterborough West): Vitamin A is supposed to cure night blindness and also a certain amount of colour blindness.

Mr. POWER: This new drug, riboflavin is, I believe, supposed to be good for this purpose. I do not know what it is.

Mr. FRASER (Peterborough West): It is administered in 50,000 international units.

Mr. MARSHALL: Would the minister give the reason for such a decided decrease in the estimated expenditure?

Mr. POWER: Yes; we bought a lot of clothing and boots last year and our requirements are provided for well in advance.

Item agreed to.

6. Communications:
Signal and wireless equipment, line construction, et cetera, $26,838,773.

Mr. FRASER (Peterborough West): Why the increase?

Mr. POWER: There is a very big increase in our communication system for the purposes of defence along both coasts largely for what they call fighter control and for land line communication. I think it is eight miles on the Pacific coast and ten miles on the east coast, and is for wireless communications and fighter control facilities.

Mr. FRASER (Peterborough West): I believe that in April of last year—I have not the date here—I asked the minister about carrier pigeons. I think that comes under this vote. He refused to answer because it was not in the country's interest.

Mr. POWER: Oh; we have carrier pigeons, lots of them.

Mr. FRASER (Peterborough West): Then, on August 15, a Toronto paper publishes nearly a full page of information about carrier pigeons. Could the minister tell the committee—

Mr. POWER: Did I say last year, that we did not want them?

Mr. FRASER (Peterborough West): No. The minister said it was not in the country's interest—

Mr. POWER: —to have carrier pigeons?

Mr. FRASER (Peterborough West): Carrier pigeons, yes.

Mr. POWER: To disclose whether we had them or not?

Mr. FRASER (Peterborough West): To tell the house anything about the matter.

Mr. POWER: Someone must have just told me I should not; that is all. We have certainly given a lot of publicity to it since. I do not know why I said that. I might have had a reason. Some of my officers must have told me it should not be disclosed, but I cannot understand why I agreed with them.

Mr. STIRLING: Could the minister tell us whether all the instruments used, coming under this item, are of Canadian make?

Mr. POWER: I could not say. I would not think so. This is largely for wires and wireless.

Mr. STIRLING: A great deal of equipment comes under it.

Mr. POWER: Yes; there is a lot of equipment. I could not give the information now. Of course I can find out. Some equipment may be bought from the United States; some may come from England; but a good part of this is for poles and wires, where it happens to be land line communications, and some is probably in construction, where wires and different communication systems have to come into a sector, or whatever you call it, in this fighter control.

Mr. STIRLING: My reason for asking the question was that it may be that some of these instruments are made by one of the capital companies which have been set up, and in that case what I should like to find out is whether the capital companies come into competition either with Canadian companies whose lifework it is to make these instruments, or with instruments which are brought in from other countries.

Mr. POWER: Is my hon. friend referring to scientific research?

Mr. STIRLING: That is it.

Mr. POWER: I visited the place once. It is really under my colleague the Minister of Munitions and Supply, as the hon. member knows, but I gathered from conversation there that they do not compete with anybody in this country; that it is pretty nearly all new gadgets which they are making. But I would not be sure about that. That is a company set up by the Minister of Munitions and Supply.

Mr. ADAMSON: The question I have in mind is one which, if the minister does not object, I will ask on this item relating to clothing. Have any tests been made as to the relative efficiency of shearling and wool clothing? Shearling is the skin of the animal with the fur on it; and the woven wool clothing is the other. There has been quite a controversy. It happens that there is a plant manufacturing it in my constituency.

Would the minister ask his officers to see if there is any opinion in the air force on the relative merits of the two? The question has been brought up to me several times.

Mr. POWER: I will do so with pleasure.

Item agreed to.

7. Ammunition and bombs, $23,990,000.

Mr. GRAYDON: I do not want to prevent the item from being carried, but I wish the minister would take an opportunity over the week-end to look up some information for me on a matter which came to my attention only after other items had been passed, so that I was not able to ask about it then. The suggestion has come from one who is interested in the chaplain service of the air force that some change might profitably be made in connection with the position which the chaplains hold. I am told that they are not in the same position as ordinary officers. I do not know whether this condition applies to all three of the services. I believe they hold some kind of honorary appointment rather than the ordinary position of an officer. I received that complaint by letter this afternoon and I was wondering if the minister would look into it.

Mr. POWER: They are honorary officers and they always have been, and the same situation exists in the army. In the navy they have no rank at all, being just chaplains; they are not captains or lieutenant commanders or anything of that kind. However, there must be something in the way of complaint if my hon. friend says so.

Mr. GRAYDON: Yes. My correspondent was complaining about that condition. He has been himself in the past an officer, a chaplain officer in the air force—I am not sure—and he complains that there should be no distinction. He states that the chaplains are rendering a great service to the army, the navy and the air force, and there is no reason why they should be called honorary captain or honorary major as the case may be. He thinks they should be in the same position as the others.

Mr. POWER: I am under the impression that that has been so from time immemorial.

Mr. GRAYDON: I think that is so, but perhaps the minister will look into the matter.

Mr. POWER: They are only honorary. Does my hon. friend want a decision as to whether we will change the system? I cannot change it between now and Monday. I will look into it.

Mr. GRAYDON: The minister sometimes takes credit for doing things in a hurry. I do not know how quickly he can do this.

Progress reported.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 6:05 p.m.

Monday, June 7, 1943

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CANADIAN ARMY—OVERSEAS REINFORCEMENTS

Mr. ROY:

1. Are there actually a number of divisions of our army available for service as reinforcements for our troops overseas?
2. If so, (a) what is the number; (b) to what army corps do they belong?
3. Are these divisions composed exclusively of volunteers, or of men called up, or both?

Mr. POWER: Reference is made to statement of Minister of National Defence, *Hansard,* May 13, 1943, page 2667; May 14, 1943, pages 2691 and 2693 to 2696; and June 1, 1943, page 3219.

DEPARTMENT OF EXTERNAL AFFAIRS—APPOINTMENTS

Mr. FRASER (Peterborough West):

1. Does the civil service commission make all appointments to the Department of External Affairs?
2. If not, how are the other appointments made?
3. How many have entered the Department of External Affairs by this method during the past two years?

Mr. CRERAR:

1. No.

2. (a) In Ottawa, certain temporary appointments of senior personnel are made by order in council.

(b) (i) In offices abroad, as in Ottawa, certain temporary appointments of senior personnel are made by order in council. (ii) In offices abroad certain clerical and stenographic positions, of which the civil service commission has knowledge, are set up by order in council. Appointments thereto are made by the chief of mission with the approval of the department.

3. During the two years prior to the 27th of May, 1943, appointments by order in council numbered: (1) Ottawa, 17; (2) outside offices, 44.

MILITARY SERVICE—FARMERS—POSTPONEMENTS

Mr. WRIGHT:

1. How many medical notices were issued to farmers in each administrative division from December 1, 1942, to April 30, 1943?

2. How many postponements were requested by or on behalf of farmers in each administrative division?

3. How many postponements were granted farmers in each administrative division?

4. How many of those receiving one postponement applied for a second postponement?

5. How many received a second postponement?

6. How many of those receiving the second postponement applied for a third postponement?

7. How many received the third postponement?

Mr. MITCHELL:

1. Medical notices are sent to all persons in designated classes but no current record of the occupation of such persons is kept.

2 and 3.

Administrative Divisions	Number Requested	Granted
"A" London, Ont.	1,652	1,614
"B" Toronto, Ont.	4,219	3,722
"C" Kingston, Ont.	2,110	2,061
"D" Port Arthur, Ont.	94	82
"E" Montreal, P.Q.	5,478	5,461
"F" Quebec, P.Q.	4,129	3,869
"G" Halifax, N.S.	1,635	1,408
"H" Saint John, N.B.	541	493
"I" Charlottetown, P.E.I.	717	620
"J" Winnipeg, Man.	4,090	3,670
"K" Vancouver, B.C.	841	795
"M" Regina, Sask.	6,630	4,678
"N" Edmonton, Alta.	3,085	2,995
Total	35,221	31,468

4, 5, 6 and 7. No record maintained.

DEER LODGE HOSPITAL, WINNIPEG

Mr. ROSS (Souris):

1. Since January 1, 1942, what properties have been purchased in Winnipeg by the dominion government in connection with Deer Lodge hospital?

2. From whom were these properties purchased?

3. What was the purchase price paid, or agreed to be paid, in each case?

Mr. MACKENZIE (Vancouver Centre):

1. Property in the municipality of St. James, Manitoba, bounded on the north by Portage avenue and on the south by the Assiniboine river and forming an easterly extension of the Deer Lodge Hospital property, so bounded, already owned by the dominion government. The Department of Public Works was authorized to survey and value the property and the Department of Justice was authorized to complete the agreement of sale.

2. Alice Maud Wightman, St. James, Manitoba.

3. $8,500.

H. J. SYMINGTON, K.C.

Mr. DORION:

1. Is Mr. Symington serving as a dollar-a-year man?

2. If so, what is his actual address, and what was it before he entered the service of the government?

3. What are his duties as a dollar-a-year man?

4. What is his occupation other than his work with the government?

Mr. HOWE:

1. Yes.

2. 244 St. James street west, Montreal, Que. —both cases.

3. Power controller; member, Wartime Industries Control Board; member, Material Coordinating Committee U.S.-Canada.

4. Barrister at law and various executive positions.

*DEFENCE OF CANADA REGULATIONS COMMITTEE

Mr. NOSEWORTHY:

When will the chairman of the defence of Canada regulations committee call a meeting of that committee?

Mr. McLARTY: I note in *Votes and Proceedings* that a meeting of the defence of Canada regulations committee is to be held tomorrow. I assume this affords the answer to this question, which might well be dropped.

Mr. NOSEWORTHY: Yes.

PERTH, N.B., POSTMASTERSHIP

Mr. HATFIELD:

1. Is the position of postmaster at Perth, New Brunswick, being filled?

2. If so, when was the position advertised?

3. How many applications were received, and from whom?

4. Were any of the applicants returned soldiers? If so, which of them?

5. Had any of the returned soldier applicants post office experience? If so, where, and for how long?

6. Were any of the returned soldiers recommended by the Canadian Legion? If so, which of them?

7. If the vacancy is not filled, what is the reason for delay?

Mr. McLARTY:

1. Temporarily.

2. August 25, 1942.

3. Seven: Hallett, Cash William; Ingraham, Mrs. Ethel Opal; Jamer, Randolph; Palmer, Mrs. Jean; Stevenson, Angus Gordon; Tomlinson, Guy O.; Whitman, Mrs. Margaret Inch.

4. Four: Hallett, Cash William; Jamer, Randolph; Stevenson, Angus Gordon; Tomlinson, Guy O.

5. No.

6. No.

7. As indicated above, there were seven applicants in the competition. Of these, four were returned men. Doubt existed as to whether three of these were patrons of the office, and they were only permitted to enter the competition on the understanding that if they qualified their right to be considered for appointment should be determined. Two were not qualified and the other, who secured the necessary pass mark, was definitely not a patron of the office. The other returned man did not secure the average 70% necessary to be declared successful.

The three other candidates, all of whom were successful, are married women supported by their husbands, and in view of this circumstance, Mrs. Margaret Inch Whitman, who obtained the highest rating was selected for temporary employment only. Therefore, Mrs. Whitman, who had been selected locally for the position, has been continued as acting postmistress in a temporary capacity for the duration of the war, and at the close of hostilities another competition will be held thereby giving those now on active service a chance to compete.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CENSORSHIP OF MAIL POSTED IN DEFENCE AREAS

Mr. COLDWELL:

1. Have censors authority to withhold letters posted at Halifax, Nova Scotia, or other defence areas and addressed to points within Canada?

2. Does censorship include R.C.M.P. investigation of personal opinions between friends expressing disagreement with the North African policies of the United States state department in its recognition of former supporters or members of the Vichy regime?

3. Are private letters critical of government policy copied in whole or in part, and forwarded systematically or otherwise to the departments concerned?

4. Have any letters or telegrams to or from members of parliament been so censored or dealt with?

Mr. LaFLECHE: Order for return, with any necessary reservations.

Mr. HANSON (York-Sunbury): Oh, well; what does that mean?

Mr. MACKENZIE (Vancouver Centre): The usual reservations.

Mr. GRAYDON: That is an unusual answer. My understanding is that in some instances in the past, ministers have said, "subject to the usual reservations". From time to time I have wondered just what that meant. But this is an extension given to the government which I am afraid will have to be stopped. It is a serious matter.

Mr. COLDWELL: I would point out that there are no "usual" reservations. The only reservations there can be are those applying to particular questions at particular times. I object to the use of the words "usual" or "necessary", because there are no necessary reservations.

Mr. HANSON (York-Sunbury): Purely arbitrary.

Mr. LaFLECHE: The reservations I make are on the ground of security.

CONSTRUCTION OF BUILDINGS FOR RECRUITING PURPOSES

Mr. DIEFENBAKER:

1. How many buildings designed for use in recruiting have been erected since the outbreak of war?

2. What is the location and cost of each of them?

MOBILIZATION ACT—DEFAULTERS

Mr. DIEFENBAKER:

1. How many defaulters, who had theretofore failed to answer calls under the National Resources Mobilization Act, reported pursuant to the offer of immunity issued by the Department of Labour some three months ago?

2. How many defaulters, by military districts, have been prosecuted to date?

3. How many defaulters, by military districts, have been located since March 22, 1943, by the Hooper-Holmes Bureau, of Toronto, Ontario?

MOBILIZATION ACT—REQUISITIONS BY MILITARY DISTRICTS

Mr. DIEFENBAKER:

1. How many men, by military districts, were requisitioned for by the Minister of National Defence for call-up under the National Resources Mobilization Act since October 31, 1942?

2. How many notices were sent out pursuant to requisition?

3. How many men, to whom notices were sent, reported?

4. How many of those reporting received medical examination, and of these, how many passed?

5. How many of the men to whom calls were sent were duly enrolled?

WARTIME INFORMATION BOARD—PUBLICATIONS IN ENGLISH AND FRENCH

Mr. DIEFENBAKER:

1. What pamphlets or booklets have been issued by the wartime information board, (a) in English exclusively; (b) in French exclusively; (c) in both English and French?

2. How many copies of each have been printed?

3. Who is the editor or compiler of each of the said pamphlets or booklets?

4. What was the cost of each?

Mr. CRERAR: Return tabled.

PUBLIC DEBT

Mr. FAIR:

1. What was the gross national debt of Canada at the end of each of the fiscal years: 1867-8, 1875-6, 1880-1, 1890-1, 1900-1, 1910-1, 1913-4, and each year thereafter to date?

2. What is the amount of, (a) accrued interest; (b) other related commissions and charges, at the end of each of the above years?

3. What percentage of the total national revenue of each of the above years was required to pay the interest, commissions and charges above?

4. What provision is being made to satisfy the above indebtedness?

5. If present policy is continued, can this debt ever be repaid?

Mr. ILSLEY: Return tabled.

VULCAN, ALTA., AIR TRAINING SCHOOL

Mr. HANSELL:

What use is being made of the residence and barn purchased with the property now being occupied by the Vulcan air training school at Vulcan, Alberta?

HARTNEY, ALTA., AUXILIARY AIRPORT

Mr. ROSS (Souris):

1. What was the total acreage purchased by the dominion government in Cameron municipality at Hartney, Manitoba, for auxiliary airport?

2. What was the purchase price paid, or agreed to be paid, for this property?

GROSSE ISLE, QUE., FEDERAL BUILDINGS

Mr. DORION:

What use is being made of the federal government buildings at Grosse Isle, in the St. Lawrence river?

RESERVE UNITS, MILITARY DISTRICT NO. 5

Mr. DORION:

1. Before September 1, 1939, what were the reserve units in military district No. 5, and, (a) what was the effective strength of each; (b) how long had they been in existence?

2. What were the reserve units in military district No. 5 on May 15, 1943?

[Mr. Diefenbaker.]

MOTIONS FOR PAPERS

WAGE NEGOTIATIONS—COAL AND STEEL

Mr. GILLIS:

For a copy of all correspondence, telegrams, and other documents in possession of the Department of Labour, from the United Mine Workers of America, district No. 26, Dominion Coal Company, Acadia Coal Company, Nova Scotia Steel and Coal Company, Cumberland Railway and Coal Company, and the Department of Labour, in the matter of wage negotiations, from February 15, 1943, to May 31, 1943.

Mr. MITCHELL: I am informed by my officials that the preparation of this return would entail a considerable amount of work. I suggest that the hon. member look over the files, and we could have copied for him whatever he wishes to have.

Mr. HANSON (York-Sunbury): Then it would be the property of the hon. member, not of members of the House of Commons. I object to that because other hon. members as well as the hon. member for Cape Breton South (Mr. Gillis) are interested in the correspondence.

Mr. MITCHELL: I am informed it would take three weeks to complete this file. I think it might be made a return of the correspondence the hon. member really wants to see—or any other hon. member, for that matter.

Mr. GRAYDON: Of course the time required in preparing answers to these motions is not the proper basis upon which a decision should be made. The question is whether the bringing down of the information sought in the motion is in the public interest. If it is in the public interest, and of importance to the public generally, then the question of time does not enter into it in the same degree.

Mr. MITCHELL: It is a question of man-power, expense and time.

Mr. CRERAR: It frequently happens, in respect of a long return involving a great deal of labour and preparation, that the hon. member asking for such information is interested in having only a certain portion of it. In order to get what they want, hon. members frequently ask for a return of the whole. If there is something in which the hon. member is particularly interested, I can see no objection to his looking over the files in the minister's office, getting the information he desires, and, if necessary, having copies made of what is required. That has happened before in similar circumstances.

Mr. GRAYDON: The minute an hon. member asks a question such as this, involving the tabling of correspondence, it becomes a matter of interest to all hon. members. For that reason I object to the minister's statement.

Mr. GILLIS: I cannot see how the amount of correspondence for which I asked would entail any considerable amount of work. I deliberately asked for correspondence only from February 15, 1943 to May 31, 1943, and in that period I do not suppose there would be more than two or three telegrams and half a dozen letters. I cannot see why a stenographer could not prepare the information in an hour.

Mr. MITCHELL: The hon. member can have it; I have no objection, but he will have to wait for it. I think I know what my hon. friend wants. There are submissions to the board, complicated wage structures and reports, and their preparation would require some time. I believe I know what he wants and, if he agrees with me, I shall get all he wishes to have.

Mr. GILLIS: I suggest that the motion stand, and in the meantime I will discuss the matter with the minister.

Mr. CRERAR: That is satisfactory.

Motion stands.

SASKATCHEWAN INDIAN RESERVES—INTEREST ON TRUST FUNDS

Mr. DOUGLAS (Weyburn):

For a copy of any letters, notices or circulars from the superintendent of Indian agencies at Regina to the Indians on the reserves located in Saskatchewan, asking them to forgo temporarily, in whole or in part, the distribution of interest earnings and other moneys held in trust for them.

SASKATCHEWAN INDIAN RESERVES—MILITARY SERVICE

Mr. DOUGLAS (Weyburn):

For a copy of any letters, notices or circulars from the superintendent of Indian agencies at Regina to the Indians on the reserves located in Saskatchewan, regarding the eligibility of the above-named Indians to call for military service.

REPORT OF CIVIL SERVICE ADVISORY COMMITTEE

Mr. McILRAITH:

For a copy of the report made by the advisory committee under the chairmanship of Mr. H. J. Coon, set up by order in council P.C. 2-584, and of all correspondence, recommendations and other documents in the possession of the government in relation thereto.

Mr. ILSLEY: Mr. Speaker, the report in question is really an intradepartmental communication. It was asked for the other day by the hon. member for Rosetown-Biggar (Mr. Coldwell), and I stated then, as I now state, that I regard it as confidential and not properly producible. If the hon. member wishes to redraft the motion so as to request the production of letters to and from the department respecting the matters dealt with in the report, I will have no objection. But the report itself I regard as confidential.

Mr. HANSON (York-Sunbury): On the point as to the confidential nature of the report, my understanding is that this report is the result of a public order in council which either was or could be tabled, and that there is nothing in the order in council to indicate that the report when made would be confidential. I regard this as a public document, and the house is entitled to have it. I am sure it would be a matter of keen interest to the public, especially to people in Ottawa. The Minister, knowing what is in it, declares it to be confidential; but that was not the basis of the order in council.

Mr. ILSLEY: I do not know how many times I am entitled to speak on the motion. I have made my position clear. There are many orders in council setting up departmental committees and interdepartmental committees which prepare reports containing advice for ministers. Certainly these have never been regarded as producible in the House of Commons. The government must take the responsibility for what they do after they get such advice as they are able to secure, but in my judgment the advice they get is not a public document.

Mr. McILRAITH: This is not a report of a departmental committee. I would point out to the house that the chairman of this committee was not connected with any department, nor was he a government employee; he was a person entirely outside the public service. Therefore I do not understand in what respect the committee can be regarded as a departmental committee.

Mr. ILSLEY: He was just as much an officer of the department when he was sitting with the other members of that committee as are many hundreds of persons who are brought in temporarily to assist the government from time to time and who are now and have been during the war years connected with the government service.

Mr. HOMUTH: How much was Mr. Coon paid?

Mr. ILSLEY: He was not paid anything.

Mr. COLDWELL: Mr. Speaker, I asked a question about this matter the other day, and I am glad it has been brought up again particularly in this form. The Coon report deals with conditions within the civil service of Canada. If a report has been made to any department—particularly, as has been pointed out by the hon. member for Ottawa West, when it has been made by a man not a member of one of our departments, a man who comes from outside the service and outside the city of Ottawa—this house should know what conditions have been revealed and what suggestions have been made with regard to the remedying of any conditions that may be bad. To my mind this is not a report which concerns the treasury board only or the government only; it is a report which concerns the House of Commons. The house should insist that the report be tabled in order that we may be apprised of conditions within the civil service, which is the civil service, not of the government, not of the ministers, not of the treasury board, but of the parliament of Canada of which this chamber is a part. I hope that the house will insist on the tabling of this document.

Mr. ILSLEY: If I may speak again, the same observations would apply to the report of every advisory committee, without exception. Every year the advisory committee to the wheat board presents a report, but we do not produce it, and there are scores of other advisory committees.

Mr. HANSON (York-Sunbury): They should.

Mr. ILSLEY: That is the issue, and I am stating my position. If the government sets up advisory committees to advise ministers or to advise the government, where the government is of the opinion that such advice is confidential, then the reports must be regarded as confidential. I do not regard this as being in any other category.

Mr. GRAYDON: I for one am unconvinced by the minister's argument against the tabling of this report. The press of Canada and the public generally have looked upon this committee as a committee which would make a report of much consequence, of much value and of much importance to the government. Its deliberations were not confidential so far as the press were concerned, because time after time they were referred to. The position ought to be made clear so far as the House of Commons is concerned. The minister has mentioned the advisory committee of the wheat board. This is also a matter of policy, and I think that question should be deliberated upon by this house.

Mr. ILSLEY: And twenty others.

Mr. GRAYDON: There should be a decision on these matters. I propose to vote in favour of the tabling of this report as called for by the hon. member for Ottawa West. I consider that this is a matter which should be pressed to the limit and we are prepared to do that.

Mr. ILSLEY: The issue is there and perhaps it should be settled; I do not know. If we are going to set up advisory committees, a great many of them by orders in council, if we are going to set up interdepartmental committees, departmental committees and so forth, every reason for the making public of this report will apply to the reports of those committees. If that is what the government must do in the future, let us have it settled.

Mr. GRAYDON: The minister is confusing the issue. This is not an interdepartmental committee. When the minister asks civil servants under him to set up an interdepartmental committee, with a deputy minister or someone else as chairman, the chairman of that committee is in an entirely different position from that of an outsider like Mr. Coon, who was brought in for a definite purpose.

Mr. ILSLEY: Not a bit.

Mr. SPEAKER: I would call the attention of the house to the fact that we are not in committee.

Mr. BOUCHER: Mr. Speaker, I feel that this report should be tabled. This is not a question of government policy, where secrecy should be maintained, where the contents of a report should not be divulged. The civil servants of Canada are affected in connection with their relations as employees of the government of Canada. A request has been made for the tabling of this report concerning civil servants and their employment. Surely the civil servants have the right to know what attention has been given to their representations. Surely they have the right to expect that members of the House of Commons will be acquainted with their conditions and with the result of any investigation that has been held. That should not affect government policy, and there should be no question of government responsibility in keeping secret the contents of this report dealing with the welfare of the civil servants. The members of this House of Commons are definitely inter-

ested in the welfare of the civil service and should be acquainted with the report of a committee which deals with civil service matters. I call upon the members of the house to ask for the tabling of this report. The civil servants are faithful, true and loyal servants of this House of Commons of Canada, perhaps a little more than of the people of Canada, and the members of the house should take an interest in them so that the civil servants themselves may know that we have a knowledge of their circumstances and are interested in their welfare.

The house divided on the motion (Mr. McIlraith) which was negatived on the following division:

YEAS

Messrs:

Adamson
Bence
Bertrand (Terrebonne)
Black (Yukon)
Blackmore
Boucher
Castleden
Coldwell
Corman
Cruickshank
d'Anjou
Dorion
Douglas (Weyburn)
Esling
Fair
Fraser (Peterborough West)
Fulford
Gauthier
Gillis
Hansell
Hanson (York-Sunbury)
Hatfield
Hazen
Hlynka
Homuth
Jaques
Johnston (Bow River)
Knowles
Kuhl
Leader
McIlraith
MacInnis
MacKinnon (Kootenay East)
MacNicol
Marshall
Maybank
Nicholson
Nielsen, Mrs.
O'Neill
Perley
Pouliot
Quelch
Reid
Roebuck
Ross (Middlesex East)
Ross (Souris)
Roy
Senn
Shaw
Stirling—50.

NAYS

Messrs:

Blair
Bradette
Casselman, Mrs. (Edmonton East)
Cleaver
Crerar
Dechene
Donnelly
Edwards
Evans
Fauteux
Fournier (Hull)
Gardiner
Gershaw
Gibson
Gladstone
Goulet
Graham
Gregory
Hanson (Skeena)
Howden
Howe
Hurtubise
Ilsley
LaFlèche
Leger
McCann
McCubbin
MacDiarmid
Macdonald (Brantford City)
Macdonald (Halifax)
Macdonald (Kingston City)
McGarry
McGeer
McIvor
MacKenzie (Neepawa)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McLarty
MacLean (Cape Breton North-Victoria)
McLean (Simcoe East)
Macmillan
Martin
Matthews
Michaud
Mitchell
Mulock
Neill
Pottier
Power
Purdy
Ross (Calgary East)
St. Laurent
Sanderson
Sissons
Taylor
Telford
Tripp
Turgeon
Veniot
Weir
Whitman
Winkler
Wood—63.

Mr. GRAYDON: I was paired with the right hon. the Prime Minister (Mr. Mackenzie King). Had I voted I would have voted for the motion.

In view of the vote which has just been taken, will the Minister of Finance be good enough to table order in council P.C. 2-584 dated January 23, 1943? I was under the impression that it had been tabled, but I am now told that it has not.

Mr. ILSLEY: Is that the one setting up the committee?

Mr. GRAYDON: Yes.

Mr. ILSLEY: Yes, I will see that it is tabled.

EXCHEQUER COURT ACT

ACTIONS BY OR AGAINST THE CROWN—STATUS OF MEMBERS OF ARMED FORCES

Hon. L. S. ST. LAURENT (Minister of Justice) moved that the house go into committee at the next sitting to consider the following resolution:

That it is expedient to bring in a measure to amend the Exchequer Court Act to provide that for the purpose of determining liability in any action or other proceeding by or against His Majesty, a person who was at any time since the twenty-fourth day of June, one thousand nine hundred and thirty-eight, a member of the naval, military or air forces of His Majesty in right of Canada shall be deemed to have been at such time a servant of the crown.

He said: His Excellency the Governor General, having been made acquainted with the subject-matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

PRIVILEGE—Mr. POULIOT

REFERENCE TO ARTICLE IN "LE SOLEIL" OF JUNE 5

On the orders of the day:

Mr. JEAN-FRANCOIS POULIOT (Témiscouata) (Translation): Mr. Speaker, I rise to

a question of privilege. On page 8 of its June 5 edition *Le Soleil* reported as follows the statement which I had made in the house the day before on a question of privilege.

Mr. J. F. Pouliot (Témiscouata) at last ended the series of statements on the question of privilege by commenting on an article from the *Globe and Mail.*

Le Soleil goes on:

It is known that in moving for the adjournment of the house to discuss the man-power question, Mr. Pouliot has had, especially, the Progressive Conservative party's support.

That is absolutely untrue. Three Conservative members only rose when Your Honour put the question to the house. They were the hon. members for York-Sunbury (Mr. Hanson), for Kootenay-West (Mr. Esling) and for York-East (Mr. McGregor). .

Further on, *Le Soleil* states:

The Toronto newspaper to-day hints that the member for Témiscouata had supporters among the Conservatives and that before he introduced his motion he gave notice of his intention to certain Conservative Progressive members.
Mr. Pouliot acknowledges that this is true—

That is quite untrue. I said the very opposite on Friday last.

Le Soleil goes on:

—he (the member for Témiscouata) had a visit from a Tory member who assured him of his support if he raised the man-power question in the house.

Le Soleil further states:

Mr. Pouliot then gave him the assurance that he would raise that question.

That is the very reverse of the statement I made in the house on Friday. I have just this to say to *Le Soleil*: If it continues to publish such insinuations I shall ask its readers to cancel their subscriptions, as I did myself with good results twenty years ago.

MAN-POWER

POSITION OF DOCTOR W. J. COUPER—REPORT IN TORONTO "GLOBE AND MAIL"

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I wish to ask the Minister of Labour a question. Press dispatches indicate that Doctor Walter J. Couper, who has been executive assistant to the minister and the deputy minister of labour, and who is reported to have expressed in public dissatisfaction with the man-power policy of the department—a matter which was dealt with, I believe, by some hon. member during the debate—has severed his connections with the department and is returning to his former position with the International labour office. Will the Minister of Labour kindly inform the house as to whether or not Doctor Couper severed his connections at the instance of the minister or the deputy minister of labour?

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, I read in last Saturday's *Globe and Mail* the news item referred to by the leader of the opposition. I was much surprised that two unfair and unjust implications had been included. One of them was:

It is regarded as significant however that Doctor Couper was the last of some sixteen advisers, all in a more or less technical capacity, who have parted company with the department since Elliott M. Little resigned as director of national selective service.

The other is:

Possibility that Doctor Couper's views on the administration of selective service, and the general situation as to man-power, are at variance with the labour minister is not being overlooked, especially since, no later than the second week in April, he forcefully and clearly expressed his opinions in an address in Toronto on the cause of the labour situation.

I do not think I can give a better answer to the leader of the opposition than to read the text of a telegram dispatched by Doctor Couper on Saturday last after he read the news item about himself in the *Globe and Mail.* It is as follows.

Ottawa, June 5, 1943.

Editor
Globe and Mail
Toronto, Ontario.

It is true that the possibility of my return to duty on the staff of the International Labour Office is currently under discussion. It is not true as implied in Cragg's story that I have broken with the Minister of Labour on the question of man-power policy. I was and am a friend of Elliott Little but that does not affect my views about government policy. If you will obtain from Morley, manager, Industrial Accident Prevention Associations, stenotypist transcript my address from which you purport to quote, you will see that by wrenching statements from their context you create an impression exactly opposite to that which I intended to convey and which I think the full text does convey.

W. J. Couper.

I looked for this telegram in this morning's *Globe and Mail,* but I did not find it there. I think in fairness to myself—and to Doctor Couper more than myself, because he is not in the house to speak for himself, and in the nature of things cannot be—this newspaper might at least have had the decency to print a retraction of the story of last Saturday.

MEAT

SAUSAGES AND HAMBURGER—RATION REGULATIONS

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): I wish to direct a question to the Minister of Finance with regard to rationing. Reports over the radio at noon to-day state that, in reply to protests of those interested in the manufacture of hamburger and sausages, which products are now rationed, it was announced that no decision would be given for at least a month. I wonder whether the minister would look into this matter and make a statement, because I feel that if these food products are going to waste owing to mistaken policy in regard to the rationing of such products, something should be done about it before a month elapses. The statement to which I refer was made over a local station at noon to-day.

Mr. ILSLEY: I do not understand the point. The hon. gentleman said that no statement would be given on something, but I do not know what it was.

Mr. COLDWELL: Nothing could be done about it for at least a month.

Mr. ILSLEY: About what?

Mr. COLDWELL: About changing the regulations regarding the rationing of hamburger.

Mr. ILSLEY: I will look into the matter.

Mr. GRAYDON: Hamburger won't keep for a month.

CENSORSHIP

BROADCAST BY CANADIAN AIRMAN FROM BERLIN—ARTICLE IN TORONTO "EVENING TELEGRAM"

On the orders of the day:

Mr. W. R. MACDONALD (Brantford City): I have a question to direct to the government or to the minister responsible for seeing that the censorship rules are carried out. It is based on two newspaper articles, and I trust the house will bear with me for a moment while I explain the basis on which my question is put.

A newspaper article appeared in the Toronto *Evening Telegram* of May 31, and it is entitled:

> Missing Son's Voice on Air from Berlin.
> Chases Worries of Parents in Toronto.

The article refers to a broadcast on the previous Friday by Doctor Goebbels, who stated that on the following day a certain young man from Toronto who is a prisoner of war in Germany would broadcast. The newspaper has pictures of the father and mother and members of the boy's family. It gives a full account of the feelings of the parents as they heard their son's voice. The newspaper states that "it brought unbounded joy to his parents", and goes on to say:

> As tears of happiness rolled down their cheeks, Mr. and Mrs. Morrison instantly recognized their son's voice.

I bring this to the attention of the government because Doctor Goebbels is endeavouring to have people in Canada listen to his broadcasts and this is one way of attracting their attention. The Canadian people, by listening to these broadcasts, will listen to many others; and as the *News* of June 5 states, the paper is helping the doctor. I am not suggesting that it is doing so knowingly. I know that the Toronto *Telegram* would not do anything to assist the enemy; it is one of the most patriotic papers in this dominion; but I do feel that unwittingly, by giving such publicity, by informing people that their sons' voices are likely to be heard over the German radio, it may cause many people to listen to German propaganda. Someone says, what if they do? Well, that is the way the Germans have carried on this war. They are spreading propaganda by such methods as this, and I feel it should not be encouraged. This particular boy had been missing for many months. He had not been reported by the Red Cross. The Red Cross society is doing a splendid service to Canada by reporting, as soon as it possibly can, all men who are missing. If the people of Canada are to get news of missing airmen and sailors—

Some hon. MEMBERS: Order.

Mr. HOMUTH: Give the people of Canada credit for a little more common sense.

Mr. SPEAKER: Perhaps the hon. member will put his question without making a speech. He has not the right to do that.

Mr. MACDONALD (Brantford City): I will put the question. Does the minister who is responsible for censorship, in view of the danger of German propaganda, censor the speeches which are sent forth by Goebbels to Canada? Are those speeches censored?

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD (Brantford City): I should say, is the report of the speech in the newspaper censored by the government?

Hon. L. R. LaFLECHE (Minister of National War Services): One might wish that

the hon. member had not explained his question, because everyone in this house would dearly love to censor Goebbels' messages and himself if it were possible. As to the real question, whether reports of broadcasts from Germany are censored in our newspapers, there is a very good understanding with the newspapers themselves, but I cannot answer in regard to this particular case. I will look it up and I shall let the hon. member know.

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): I may add that the service forces take a very definite view on the question of broadcasts by prisoners of war, and within recent weeks or months instructions have gone out that broadcasting by prisoners of war in enemy hands should not be carried on.

Mr. GRAYDON: It has just occurred to me that if there is anything wrong with the publication of what the hon. member for Brantford City has indicated, it is doubtful whether he has cured it. He has rather exaggerated and overemphasized it by bringing it to the attention of the House of Commons.

Mr. MACDONALD (Brantford City): I think I should be allowed to reply to the leader of the opposition—

Some hon. MEMBERS: Order.

Mr. MACDONALD (Barntford City): I am speaking to a question of privilege. The only purpose I had in bringing this to the attention of the government was to prevent its repetition.

CANADIAN ARMY

REPORTS AS TO DISTURBANCES AT SUSSEX MILITARY CAMP

On the orders of the day:

Hon. R. B. HANSON (York-Sunbury): I should like to direct a question to the Minister of National Defence (Mr. Ralston). Unfortunately he is not present and therefore I will present it to his parliamentary assistant, who is in his seat. The question has to do with the minister's statement of May 10 last regarding the trouble at Camp Sussex. My questions are: (1) Has the minister any further information or statement to give to the house with reference to the disturbances of May 6 at Camp Sussex, in which one soldier unfortunately lost his life and several others were wounded? (2) Has an inquest been held? If so, what is the substance of the verdict? (3) Have the military authorities held a court of inquiry? If so, what is the result and will the findings of the court be laid on the table? (4) Is it true that the Dufferin and Haldimand battalion has been sent overseas, and the Voltigeurs of Quebec have been transferred to another district in Canada?

Hon. C. G. POWER (Minister of National Defence for Air): I cannot answer the last question, but as regards it and the others I shall inquire of the officers in the department and let my hon. friend know.

Mr. HANSON (York-Sunbury): I was not paying the minister the compliment, though perhaps I should have addressed my question to him in the first place. I was endeavouring to attract the attention of the parliamentary assistant. However, I am quite content to leave the question with the Minister of National Defence for Air.

LABOUR CONDITIONS

WINNIPEG TRADES AND LABOUR COUNCIL—FREEZING OF WAGES OF LOW-PAID WORKERS

On the orders of the day:

Mr. S. H. KNOWLES (Winnipeg North Centre): I should like to direct a question to the Minister of Labour. Has the minister been advised of the complaint of the Winnipeg and District Trades and Labour Council to the effect that the Winnipeg selective service officer, in cases where he cannot supply workers for plants paying unduly depressed wages, is assisting employers in such plants by freezing workers to their low-paid jobs? Is this practice in keeping with the policy of the government, and will the minister look into the situation?

Hon. HUMPHREY MITCHELL (Minister of Labour): The answer to the first question is, no. As to the second question, I shall be glad to look into it.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Friday, June 4, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE FOR AIR

7. Ammunition and bombs, $23,990,000.

Hon. CYRUS MACMILLAN (Parliamentary Assistant to the Minister of National Defence for Air): The minister has instructed me to answer a few questions that were asked

in the last two or three days. The first question was from the leader of the opposition (Mr. Graydon).

Mr. GRAYDON: A good place to start.

Mr. MACMILLAN: A splendid place. The question was with reference to chaplains. The answer is:

1. (a) Chaplains are not granted any powers of command and therefore only honorary rank is provided for them.

(b) Chaplains are not subject to accept or assume the full responsibilities of the rank granted them in comparison with all other R.C.A.F. officers; that is, they are not detailed to assume all the ordinary duties normally allotted to an officer, such as drill parades, orderly officer, etc., etc.

(c) The practice of granting honorary rank to chaplains follows the custom adopted by the other armed forces of Canada and the armed forces of the United Kingdom.

2. Although appointed to honorary rank, R.C.A.F. chaplains are paid at the same rates as other special reserve, non-flying list officers of equal rank.

The next question was from the hon. member for Yale (Mr. Stirling):

Is all signal equipment used by the R.C.A.F. in Canada of Canadian make?

The answer is, no. Approximately 50 per cent is Canadian; 15 per cent, American, and 35 per cent, United Kingdom.

Do Canadian capital companies come into competition with regular commercial signal equipment companies?

The answer is, yes. Research Enterprises Limited handle all secret radio equipment and were set up for this purpose.

The hon. member for Lake Centre (Mr. Diefenbaker) asked in regard to the situation in Canada with respect to transfers from the army to the air force for training as aircrew. Direct transfers are not possible under existing regulations. Personnel of the army desiring to serve in the R.C.A.F. must be discharged by the army before enlistment in the R.C.A.F. Regulations governing discharges from the army for the purpose of enlisting in any other force are set out in Canadian army routine order No. 1030 dated May 7, 1941.

Only applications from candidates for enlistment as aircrew and such other highly specialized trades as may be urgently required are considered from personnel in the army. A soldier of an active unit of the Canadian army desiring entry into another service must first submit an application in writing to his commanding officer requesting discharge for the purpose of enlisting into the service concerned. If the application is concurred in, the commanding officer will then forward his recommendation, accompanied by the soldier's application, to the nearest recruiting centre of the service concerned. If it is decided to accept the soldier for service in the R.C.A.F. the air force recruiting officer will notify the soldier's commanding officer by letter stating the trade in which he will be enlisted and the date he is to report for duty. Army discharge proceedings are then commenced.

At the present time, negotiations between the army and the air force are proceeding with the object of increasing the flow of men desiring aircrew training from the army and also to arrange for enlistment into the army of men who have failed in their aircrew training in the R.C.A.F. Final arrangements have not been made.

The hon. member for Fort William asked with regard to the Memorial Cross: Who gets the Silver Cross; how can distant relations get it; what are the regulations? As hon. members doubtless know, the Silver Cross is a memorial to airmen who were killed in action or who died while on active service or from causes attributable to service in the air force, either while serving on active duty or subsequent to discharge from the said force. The Silver Cross is granted to mothers and/or widows of Canadian airmen who have died in the service of their country during the present war. In case, after becoming entitled to the cross, the widow or mother has died, the cross will be delivered to the eldest of the airman's next of kin.

Mr. GRAYDON: The eldest female next of kin?

Mr. MACMILLAN: No, the eldest next of kin. Air force administrative order A.64/2 sets out the regulations, and is as follows:

Regulations pertaining to the grant of the Memorial Cross to the mothers and/or widows of Canadian airmen who have died in the service of their country during the present war.
Reason of Issue

1. A Memorial Cross will be issued as a memento of personal loss and sacrifice on the part of mothers and widows of Canadian airmen, who have laid down their lives for their country during the present war.
Description of Cross

2. The cross will be a cross patonce in silver, suspended by a purple ribbon; and at the end of the upright a crown; at the foot, and at the end of either arm, a maple leaf; in the centre,

within a wreath of laurel, with royal cipher "G.R.I." It will be engraved with the number and/or name of the airman commemorated.

3. A cross will be issued to the widow or mother in respect of every airman who was survived by either. If both survive him, two crosses will be issued, one to each.

4. If, after becoming entitled to the cross, the widow or mother has died or dies, the cross will be delivered to the eldest of the airman's next of kin.

In Respect of Whom Issued

5. The cross will be issued in respect of each airman, who:

(a) was killed in action; or
(b) died whilst on active service; or
(c) died or dies from causes attributable to service in the air forces whether while serving on active service or subsequent to his discharge from the said forces;

Provided that where death occurs subsequent to discharge, the Memorial Cross will be issued to the widow only if she was married to the airman at the time of his discharge.

Proof Required

6. Every applicant for the issue of a cross must produce such proof of death, service and eligibility as may be required by the Minister of National Defence for Air in respect of Canadian airmen.

Authority

7. The decision of the Minister of National Defence for Air shall be final in all matters pertaining to the issue of the cross in respect of Canadian airmen.

8. In the foregoing paragraphs;—

(a) "Widow" includes the legal widow of the airman killed and the unmarried widow who is pensionable by reason of the airman's death, but does not include a widow as so defined who,—

(i) Is known to be of dissolute character.
(ii) Was at the time of the airman's death, separated from him by agreement or legal process.

(b) "Mother" means the woman who gave birth to the airman.

(c) "Airman" means any person, male or female, who served in the Royal Canadian Air Force or who having been ordinarily resident in Canada on the 10th of September, 1939, or at any time during a period of 10 years prior to this date, served in the air forces of his majesty or any of his allies.

9. These regulations shall have force and effect as of and from the 1st September, 1939, and are made and established by order in council P.C. 4210, dated 27th August, 1940, as amended by order in council P.C. 2135, dated 28th March, 1941.

On Friday afternoon the hon. member for Cumberland (Mr. Black) asked a question with reference to the delivery of cables overseas. Postal letter telegrams are sent from cablehead, where they are received in England, by mail to the base post office where the last posting of the personnel is determined; the cable is then forwarded again by mail to the unit concerned. All direct cables are telegraphed from cablehead to the base post office at Manchester; then when the posting is determined they are forwarded by mail to the unit concerned. In all cases when telegrams or cables are received at the addressee's unit, they are delivered to him as quickly as possible. On account of the amount of mail handled at the base post office inevitably there are some delays, but there may be some at the units also, especially when the addressees are absent on operational duties.

The hon. member for Lethbridge (Mr. Blackmore) asked how the amount spent on transportation was divided between the Canadian National and the Canadian Pacific railways. The expenditure in 1942-43 for the services given by these railways was divided as follows:

	C.N.R.	C.P.R.
Passenger accounts.	$6,581,413 67	$5,768,781 39
Freight and express.	2,432,976 88	1,593,767 22
Totals.....	$9,014,390 55	$7,362,548 61

In each case there is a difference of about $800,000, or a total difference of over $1,600,000.

The hon. member for York West asked whether we will use cracked gasoline in aircraft. The answer is, yes. Tests have been carried on at No. 2 S.F.T.S. for the last six months, and the McColl-Frontenac product has been approved for 80 and 87 octane gasoline. Tests are still being carried out for other companies. The hon. member also asked a question with respect to the R.C.A.F. staff college, and if there is any suggestion of adding an R.C.A.F. college after the war. The answer is that a provisional syllabus for the course of training at the R.C.A.F. staff college has been drawn up and a suitable location for the school has been decided upon. The objective of the R.C.A.F. staff college is to give selected R.C.A.F. officers of relatively senior rank instruction in advanced administrative and staff work applicable to present day service conditions. There is no intention at the present time to add an R.C.A.F. college after the war, but the question may be considered at the appropriate time.

Mr. HANSON (York-Sunbury): When would that be, if not after the war?

Mr. MACMILLAN: The staff college is at Flavelle House, and it will be open about July 15. The hon. member for York West also asked whether an attempt is being made to get ground crew wherever possible from those unfit for aircrew and, if so, what categories we were taking. The answer is that

an attempt is being made wherever possible to fill ground crew quota with men physically unfit for aircrew duties. The medical category for ground crew has been lowered from A4B to A4HBH.

The hon. member for York West asked a question with respect to sea rescue. I shall try to summarize the answer, which is relatively long.

Mr. HANSON (York-Sunbury): What was the question?

Mr. MACMILLAN: Have any measures been developed for air-sea rescues. Early in the war steps were taken to establish an air-sea rescue service by the commissioning of vessels on the Atlantic and Pacific coasts, ocean-going vessels in addition to the salvage vessels and crash boats. Details of this cannot well be given. The hon. member may have them privately. Rather remarkable developments have taken place in respect of the type of emergency equipment provided. Hon. members are no doubt familiar with the report of that airman of matchless courage, Captain Rickenbacker, following his miraculous rescue after twenty-one days on a rubber raft. No doubt hon. members are familiar with the recommendations he made some months ago. The information is that practically all these recommendations have been carried into effect, with the result that the risk has been greatly decreased. That includes, of course, the provision of collapsible rubber boats which are automatically inflated, and the providing to each member of the crew of every Royal Canadian Air Force aircraft operating over the ocean of a Mae West life jacket, and also heavy clothing, with a special emergency supply apparatus containing food, water and other equipment. Then, there is a continuous watch throughout the twenty-four hours on the two coasts. There is further secret information which the hon. member may read.

Mr. FRASER (Peterborough West): Has Canada tried the carrying of small motor launches by aeroplanes, so that they can be deposited where crews are to be rescued?

Mr. MACMILLAN: Not up to the present time.

Mr. FRASER (Peterborough West): I notice they have them in Great Britain.

Mr. MACMILLAN: Development along that line is proceeding, however.

The hon. member for York West asked a question with respect to the commissioning or promotion of prisoners of war. Negotiations with Germany have been undertaken through the Department of External Affairs. Although there can be no definite statement regarding what the decision has been, there is no reason at the present time to doubt that the suggestion will be carried forward. Negotiations are pending with Italy, and it is not considered advisable by the department to discuss them in public at the present time, because such discussions might jeopardize their success.

The hon. member for York West asked respecting categories of aircrew, and concerning percentage of training received in Canada. The details are these:

Of bombing navigators, 94 per cent of the output receive all their training in Canada, and 6 per cent in the United Kingdom. Those who complete their training in the United Kingdom do 77 per cent of their training in Canada and 23 per cent in the United Kingdom.

Of general navigators, none complete their training in Canada, all completing their training in the United Kingdom. In this group 74 per cent of the training is done in Canada, and 26 per cent in the United Kingdom.

Of wireless navigators, 19 per cent of the output complete their training in Canada, and 81 per cent in the United Kingdom. Those who complete their training in the United Kingdom do 81 per cent of their training in Canada, and 19 per cent in the United Kingdom.

Of air bombers, none complete their training in Canada, all being completed in the United Kingdom. Seventy-three per cent of their training is in Canada, and 27 per cent in the United Kingdom.

Of wireless air gunners, 86 per cent of production complete their training in Canada, and 14 per cent in the United Kingdom. Those who complete their training in the United Kingdom do 76 per cent of their training in Canada, and 24 per cent in the United Kingdom.

In respect of air gunners, those who complete their training in the United Kingdom do 58 per cent in Canada, and 42 per cent in the United Kingdom.

In respect of pilots, those who complete their training in the United Kingdom do 76 per cent of their courses in Canada and 24 per cent in the United Kingdom.

Mr. ADAMSON: That includes fighter and bomber pilots?

Mr. MACMILLAN: Yes. The hon. member for York West asked a question with respect to experience in connection with shearling in wool. On the basis of many months of

fundamental research, developmental work and field trials, the use of shearling in flying suits has been shown to be less satisfactory than the new type Royal Canadian Air Force flying suits for the following reasons: Greater bulkiness of shearling suit; greater weight of shearling suit; poor snag resistance of shearling leather; poorer resistance to compression loads of shearling, and therefore less thermal insulation and decreased warmth; greater retention of gas fumes in exposed shearling, including collars and the like, with increased possibility of burns following gasoline fires; shearling much less flexible than new-type suit and, last, greater cost of shearling flying suits.

The new-type "E" flying suit was developed on the basis of a questionnaire answered by over 4,100 aircrew. The detachable lining is a newly developed flexible double-pile twenty-two-ounce wool lining employing 50 per cent 64's, 20 per cent 60's, 20 per cent 56's and 10 per cent 50's, Canadian wool, with a thickness of one-half inch uncompressed.

Shearling is still used in Royal Canadian Air Force flying boots, and due to the large stock on hand no change is contemplated in the near future.

The hon. member for Peterborough West (Mr. Fraser) asked with regard to payment of personnel in the United States and Alaska. Royal Canadian Air Force personnel in the United States receive their pay and allowances in United States funds, their net entitlement in Canadian dollars plus credit for loss on exchange as provided by an order in council, being converted to the equivalent in United States dollars. They are paid dollar for dollar in United States funds.

Mr. FRASER (Peterborough West): That is, they receive in United States money $1.30 a day.

Mr. MACMILLAN: Yes, in United States money. The second question asked by the hon. member for Peterborough West was with respect to the reason for the increase in rentals. The increase is not for rentals alone. The item under consideration was for rentals, water, light, power, heating, sanitary services, renewals, repairs and other maintenance costs of properties.

The expenditures for 1942-43 in the British commonwealth air training plan included the Royal Air Force schools from July 1, 1942, to March 31, 1943, a period of nine months, whereas for 1943-44 provision must be made for a full twelve-month period for these schools. All the expansion of the British commonwealth air training programme begun in the fall of 1942 will have its full effect in 1943-44. This applies also to a very substantial expansion in construction connected with the western hemisphere operations. The greater the amount of the property to be taken care of, the higher the expenditure will be for maintenance.

Another question asked by the hon. member for Peterborough West was with regard to the special treatment given night fliers to develop their eyes. The reply is that the night vision of aircrew is tested on a special apparatus for this purpose, but details can not be given, other than privately.

Another question had reference to the use of sulpha drugs. Sulpha drugs are used in the Royal Canadian Air Force in treatment of certain infections where elaborate clinical investigation has proved their worth. A greatly lessened mortality rate from pneumonia, streptococcal infections, war wounds and the like can be attributed to the use of sulpha drugs. Their application in preventing surgical infection is recognized. There are five varieties of sulpha drugs issued for emergency use to prevent infection in injuries and wounds, until the patient can be given more special medical attention.

Mr. FRASER (Peterborough West): The men have this themselves, have they?

Mr. MACMILLAN: Yes. The hon. member asked a question respecting a death resulting from inoculation at No. 35 elementary flying training school. This matter has been studied in the greatest detail. The results of the special investigation have been prepared for the coroner's inquest. No informed report can be given until the findings of the inquest are received. That report is expected within the next few days, and the hon. member will be given a copy.

Mr. McCANN: Is that the case at Neepawa?

Mr. POWER: Yes, from inoculations.

Mr. McCANN: The hon. member mentioned the coroner's inquest. Is he not following out in Manitoba the plan adopted in Ontario, under which there is no coroner's inquest?

Mr. POWER: This happens to be a special case. As a result of inoculations fifty-two or fifty-three people were made ill and the thing became a little complicated because of having to decide whether the toxoid itself was defective or whether it was faulty inoculation. The Connaught laboratories prepare nearly all the fluids or whatever it is that are used in inoculations, and they sent a Mr. Fraser out there.

Mr. FRASER (Peterborough West): No relation.

Mr. POWER: The department of health of Manitoba has a Doctor Jackson there. Inquiries have been made but we have not had a full report. Everything that can be done to find out who should be blamed will be done. The coroner's inquest will follow our inquiry. This will be under the presidency of Doctor Jackson of Manitoba.

Mr. McCANN: Is this a special investigation of just one case?

Mr. POWER: It is a special investigation. As a rule we do not have a public inquiry or investigation, as my hon. friend knows, but this was a case where the death should be inquired into.

Mr. MACMILLAN: The hon. member for Davenport (Mr. MacNicol) asked a question with respect to the supply of water at Mossbank, and the hon. member for Weyburn (Mr. Douglas) asked a similar question about Assiniboia and Dafoe. These questions will have to be answered by the Department of Transport, as that department is responsible for the supplying of water to building sites. This information has been requested and will be given later. The hon. member for Davenport asked about the type of runway at the airfield at the Pas, but this information is secret. However, I shall send it to the hon. member privately.

The hon. member for York South (Mr. Noseworthy), the hon. member for St. Paul's (Mr. Ross), the hon. member for Eglinton (Mr. Hoblitzell) and the hon. member for Rosetown-Biggar (Mr. Coldwell) inquired about provisions being made with regard to interrupted education. The hon. member for Rosetown-Biggar also asked about the educational qualifications of our airmen. A total of 68,000 occupational histories of members of the air force have been checked and checking is still in progress. The information obtained is extremely impressive. First there is the fact of their youth. I think the late Mr. Binyon's line applies to these young men more emphatically than to any other group—"They went with songs to the battle, they were young". Seventy per cent of the 68,000 checked are under twenty-seven years of age, and more than half of them are between the ages of eighteen and twenty-three years. Their high standard of education is amazing, and the minister has asked me to put the following figures before you because of their impressiveness.

Of this total number of 68,000, 6,800 in round figures have university degrees or were undergraduates at the time of enlistment; 5,500 had completed their senior matriculation, the equivalent of the first year in university; 5,600 had partly completed their senior matriculation; over 13,000 had completed their junior matriculation and 21,500 had completed it in part—that is, one or two or three subjects yet to be passed; 1,300 had completed technical school requirements and 4,200 had partly completed technical school courses; 700 had completed teachers' courses. About 54,000 out of 68,000 had junior matriculation in part or higher qualifications.

I am sure that every hon. member looks forward to the return of these young men and the question of their rehabilitation and repatriation will be a very serious problem.

Mr. HANSON (York-Sunbury): Their interrupted education.

Mr. MACMILLAN: I understand that the phrase "interrupted education" applies to members of the forces who were in educational institutions at the time of enlistment pursuing a course of studies or who had temporarily suspended their studies because of financial or health or other reasons. Unquestionably most of these men will wish to return and provision has been made already toward that end. Order in council P.C. 7633, passed on October 1, 1941, and amended on April 20, 1943, makes provision for their educational needs by providing for grants. This comes under the jurisdiction of the Department of Pensions and National Health, but I am sure the minister of that department will not mind my saying a word or two about it. The order in council provides for a grant of $10.20 per week in the case of an unmarried student and $14.40 per week in the case of a married student, with fees if required.

Mr. HANSON (York-Sunbury): In addition?

Mr. MACMILLAN: Yes. The universities are making provision to give refresher courses to these young men and women when they return. No man can say what intellectual power has been or will be lost, but we must do everything possible to help those who come back to attain their objectives. In olden days a pessimist said: Who shall restore the years that the locusts have eaten? These young people will be able to restore part of the lost years themselves if they are given assistance and encouragement and wise guidance. I am sure that nothing is closer to the heart of the minister than that.

Mr. PERLEY: We have been given some splendid information just now, but there is one point to which consideration should be

given, and that is the period of time that many of these men are kept in the army before being discharged. Many of these men left medical, dental and other practices, to which they are ready to go back. They will be anxious to get right back to work and will not want to be held in the army for one or two years after the war is over before being discharged.

Mr. MACMILLAN: The suggestion is that they be given the preference.

Mr. PERLEY: I should think so.

Mr. HANSON (York-Sunbury): Those who have positions to go to immediately.

Mr. MACMILLAN: I understand that the universities will give them precedence in admission.

Mr. POWER: The rehabilitation system that we are working on would permit a boy with a B.A. who wanted to go on to law to go to the university to study for that profession. It would be paid for by the government of Canada to give him a chance to complete his education.

Mr. MACMILLAN: The clause reads:

In case any discharged person becomes regularly admitted to a university and commences any such course—

Mr. PERLEY: I just wanted to make sure that the minister has my point. There are a great many men in the air force who were formerly practising his profession.

Mr. POWER: I think that is another problem. I do not know how we can rehabilitate the man who was practising, say, law or medicine, but as my colleague has said, there are so many who have interrupted their education to join the air force that we are trying to furnish them with an opportunity to complete it. I do not see how we could rehabilitate a man in his practice if he was a lawyer or a doctor.

Mr. PERLEY: Their practices are there awaiting them.

Mrs. CASSELMAN: Are the benefits that are being provided for the men being provided also for the women, at the same rate?

Mr. MACMILLAN: The answer is yes to both questions.

Mrs. CASSELMAN: The women will get the same rate of benefit pay?

Mr. MACMILLAN: The subsidy or assistance granted is the same to male and female —but not to a married woman. That is set out in the order in council.

Mr. MACDONALD (Brantford City): I think the point of the hon. member for Qu'Appelle is well taken. Many members have expressed themselves to the effect that when the war is over the men in the armed forces should not be suddenly discharged and thrown on the labour market. I think most hon. members will agree with that as a general submission. But as the hon. member for Qu'Appelle has said, there are many men who have left the professions in which they were established. I quite agree that these men should be encouraged when the war is over to go back to their professions, if they so desire, and not be held in the forces. Then there are students, as the parliamentary assistant to the minister has stated, whose studies were interrupted. There should be no delay in allowing these men to go back to their studies so that they may qualify themselves for whatever profession they have chosen. These two classes should not be any great problem. But there is a third class, men who have no trade, no profession and no business to which to return. I trust that when the war is over this class, which is composed of the great mass of men in the armed forces, will not be suddenly thrown on the labour market with nothing to do.

Mr. MACMILLAN: Mr. Chairman, the hon. member for Rosedale (Mr. Jackman) asked two or three questions: He asked: "Is there to be a fleet air arm formed in Canada?" The question of forming a fleet air arm in Canada has been under discussion but no definite decision has been arrived at. He also asked: "What becomes of obsolete material?" Obsolete material is disposed of as follows:

(1) Retained in the service for instructional use.

(2) Sold to civil air lines in mining communities or to contractors et cetera, who may require this equipment.

(3) Or issued to war extension training programme schools and air cadet squadrons for instructional purposes.

(4) If the equipment is not required for any of these purposes it is reduced to produce and disposed of by sale as scrap.

The hon. member for Rosedale also asked:

Is all equipment in depots modern?

Yes; stocks at equipment depots are reviewed continuously to ensure that equipment declared obsolete does not accumulate. Particulars of the obsolete items held are submitted to air force headquarters for disposal instructions.

The hon. member also asked for a comparison of personnel strength. At No. 2 Service Flying Training School at Uplands comparison of personnel strength as at May 31, 1941, and May 31, 1943, shows the following:

	May 31, 1941	May 31, 1943
Staff		
Service	703	897
Civilian	182	128
Total.....	885	1,025
Aircrew in training...	175	234
Grand total...	1,060	1,259

It will be seen that while the number of aircrew in training showed an increase of thirty-four per cent, the increase in staff was only sixteen per cent. Thus the ratio of staff to pupils decreased from 5·06 to one to the present figure of 4·38 to one.

The hon. member for Macleod (Mr. Hansell) asked how decorations were awarded. Recommendations for honours and awards may be submitted under the following classifications:

(a) Gallantry awards for any specific act of gallantry or series of acts of bravery. These may be submitted as immediate at any time or included in the periodic lists.

(b) (i) Chivalry awards for extreme meritorious service and devotion to duty. These may only be considered in the periodic lists.

(ii) Certain gallantry awards may also be awarded for devotion to duty and meritorious service, i.e., A.F.C., A.F.M., B.E.M., "M.I.D." and commendations.

I have a list here of the honours and awards granted to air force personnel, excluding those of last week. Hon. members might be interested in knowing that the total of awards for gallantry is 479.

The hon. member for Huron North (Mr. Cardiff) asked a question with reference to security guards:

Have they been given a chance to remuster to a trade of their choice or will they be transferred to another trade arbitrarily without any choice in the matter?

Yes. Given the necessary qualifications and provided there is room within the establishment of the trade preferred, security guards are given ample opportunity to remuster to the trade of their preference. For example, in the recent amalgamation of service police and security duties, all security guards were individually interviewed to ascertain how many wished to remuster to the trade of service police; several hundred were so remustered by their own expressed choice, but none was remustered against his will. Those who were not remustered to service police appeared before duly constituted trade selection boards to be remustered to other trades, according to their several capabilities and expressed preferences.

Mr. POWER: The hon. member for Camrose (Mr. Marshall) asked a question with regard to radio mechanics. It is a long story but I will try to make it as brief as possible. In January, 1941, we received a request from Sir Gerald Campbell to see if we could not recruit in Canada radio mechanics for the Royal Air Force. I happen to have discussed this matter of radio mechanics with a higher authority, Mr. Churchill, in England, and he ascribes the victory in the battle of Britain largely to radio mechanics or radio locators, and the United Kingdom government allotted the highest priority to them. The original request came in October, 1940, from Sir Gerald Campbell, then high commissioner. It had nothing to do with the joint empire training agreement; it was, so to speak, an extra. At that time they asked for 1,000 radio mechanics, but as things went on, eventually the request came for 5,000. They required a very high standard; so much so, that we thought the best people we could get would be university students. As a matter of fact in May, 1941, I made a speech calling on students of the universities to undertake this radio mechanic training, and we sent these people to the different universities all across Canada to follow a university course. Somehow or other we seem to have demanded too high qualifications. We had lawyers, doctors, clergymen: for instance, there is a clergyman up in the Hebrides who is a private in the air force, and a headmaster of a Toronto school who is somewhere in the Faroe islands, holding the position of acting lance corporal without pay. Evidently we rather exaggerated the required qualifications, but the man who invented the apparatus thought, like most other inventors, that he needed the best possible men to handle it, and he sold us the idea of obtaining the best educated men we could. We were asked for 5,000 and we supplied 5,000. These unfortunate fellows have been sent all over the world. Some of them went to West Africa, some to Singapore, some elsewhere. Nearly all are of the class of university student, and of course, they did not get the advancement which one would expect people of that class to get; they are still LAC's. This is nobody's fault, or if it is anybody's fault I suppose it is ours, because the work seemed so important. I must say I am more responsible than anybody else. I said, "We will send the best we can get," because apparently this was the most important thing that could be done. In any case they went overseas and, as I say, did not get much in the way of promotion.

But we have now provided for radio mechanics of two kinds. I cannot explain the details, because they are very secret. There are six categories. There is radio mechanic, air: he is the man who looks after whatever radio machines they put in the aeroplanes.

There is also radio mechanic, ground, who gets the radio locations from different parts and has all these secret devices. Apparently the ground men are all right. They have been sent all over the world: some are in Kenya, some in West Africa, others at Cape Town, and everywhere they are getting on pretty well. The trouble with the radio mechanics has been that this radio business changes so quickly that before they are fully trained their machines are obsolescent, so that they have had to begin all over again and learn a new system. The result is that they could not get promotion. They would be trade-tested on machine A, and by the time they got to their assigned place machine B was installed, and they were out of luck.

Mr. ADAMSON: The course was about six months, was it not?

Mr. POWER: I believe the university-trained boys had two months in Canada plus whatever they had in England. For a while they were unemployed or misemployed; there is no question about that. But now the thing has straightened itself out. I believe that, of the 5,000 required, all but 200 have been sent over; 638 have received their commissions, and now every one of them gets trade pay; he is either a corporal or a sergeant; and they are trade-tested by Canadian boards. So that the situation is pretty well cleared up. For a while it was very interesting. I do not know that I can say much more, except that the boys are happier than they were a year ago. We sent highly educated people—for instance, lawyers—to do what a man should do with a hammer and chisel: that is about the size of it. It was our fault, I think, somebody told us to require too much.

Mr. STIRLING: Can they get still further promotion? Is there anything else for them to go up to?

Mr. POWER: That has to do with the commissioning policy. I do not know of any class we have sent over who are more under the Royal Air Force. They are mixed up everywhere; they are not in Canadian squadrons. I do not know who is in charge of them. There is a group of some kind, and they can get commissions; they are on the basis of ten per cent on graduation and ten per cent for service in the field. After all it is not so bad, for what are they, really? They are signallers.

Mr. ADAMSON: I was going to ask the minister how they compare with the army, who did more or less the same thing but did it through the signal corps.

[Mr. Power.]

Mr. POWER: The complaint that my hon. friend has is that the army men get promotions more quickly. I am not sure about that, because I do not think the army enlisted very many of them. They may have enlisted them as straight signallers.

Mr. ROSS (Calgary East): Are they R.A.F or R.C.A.F.?

Mr. POWER: They are R.C.A.F. They wear R.C.A.F. uniforms, but their careers are dictated by R.A.F. If they go to England they can be sent to the Shetlands or anywhere else.

Mr. ADAMSON: I believe the army did the same thing, and the course was six months.

Mr. POWER: I do not think so. There are signallers who know the radio mechanic's job, but I do not think they went out to get them as radio mechanics.

Mr. McIVOR: I think the Minister of National Defence for Air showed his good sense in placing extra work upon his parliamentary assistant, for he does it well; which proves the old proverb that two heads are better than one, especially when they are good. It also proves that the appointment of parliamentary assistants is of splendid value to this house. On behalf of those in the homes where the boys have lost their mothers and the next of kin of casualties will receive the Silver Cross, I would thank the minister and his parliamentary assistant for this consideration. It will be like a drop of sweet oil poured into a very tender wound; because when a boy loses his mother when he is young, and an aunt or an older sister or someone else comes in and takes the place of that mother, she appreciates very much this Silver Cross, which tells her and all Canada that the ministers in charge have a little bit of heart and sympathy. I thank them.

Mr. KNOWLES: Has the parliamentary assistant supplied all the answers which he has thus far obtained?

Mr. MACMILLAN: No; I have some more to give.

Mr. KNOWLES: Why not finish them? I am interested in an answer to the question about civil servants in the air force.

Mr. MACMILLAN: The hon. member for Battle River (Mr. Fair) asked a question, which I will answer now. He asked, is there a new field in Wainwright, Alberta? The answer is yes, a single landing strip 5,000

feet long and 200 feet wide, near Wainwright. It is built to carry air exercises in connection with airmen's training.

Mr. MARSHALL: Will the parliamentary assistant state where that field is situated? Has it anything to do with the army training school which is now located very close to Wainwright?

Mr. MACMILLAN: The only information I have is that it is at Wainwright, Alberta.

Mr. MARSHALL: I know, but a large training centre is being built there at the present time for the army. It is the old Wainwright buffalo park, a huge place, and quite a large amount of building is going on. Has the parliamentary assistant any information as to the exact location of this airport?

Mr. MACMILLAN: I will try to give that information this evening. The member for Weyburn (Mr. Douglas) asked a question with regard to the expenditure last year and this year classified according to the three branches of the department, overseas, commonwealth air training and western command. The estimated expenditures for 1942-43 are: C.A.T.P. $45,000,000; western hemisphere operation, $65,000,000, or a total of $110,000,000; for 1943-44 the B.C.A.T.P. is $35,022,282 and western hemisphere operations, $58,398,818, or a total, as contained in the sheet before you, of $93,421,100. It will be noted that there are no expenditures overseas for 1942-43 and no provision is included in the estimate for such expenditures for 1943-44.

The member for Weyburn asked another question: what has been done to localize training, to eliminate the excessive use of railway travel.

Personnel are posted in such a manner as to minimize the use of transportation. In the case of staff personnel, movements must, of necessity, be in accordance with the trade qualifications and the unit requirements. In so far as aircrew trainees are concerned, enlistees are posted to the manning depot nearest to place of enlistment (except on such occasions as movements are effected to balance up deficiencies in recruiting considered in relation to training school intakes), from manning depots to schools in accordance with routing plan devised to synchronize with training requirements, with personnel proceeding in all instances to the nearest unit designed to accept them in the next stage of training.

The member for Hastings South (Mr. Stokes) asked whether we pay the same cost of living bonus as civilian employers.

No. Cost of living bonus to civilian employees of dominion government is governed by order in council P.C. 6702 dated 26th August, 1941. According to terms of order in council P.C. 6702 dated 26th August, 1941, and treasury board interpretation of September 6, 1941, any increase in basic rate authorized since August 1, 1939, is to be deducted from the cost-of-living bonus; therefore, any employee whose basic rate of pay has been increased sufficiently will receive no cost of living bonus, whereas those whose rate has not been increased will still receive bonus.

Mr. KNOWLES: Was that by order in council, or was it an interpretation by the treasury board?

Mr. MACMILLAN: It was an interpretation by the treasury board of September 6, 1941.

Mr. GILLIS: I also raised that question and I submitted a specific case to the minister. I wonder if the answer now given answers the question contained in the letter I sent him, because I know that when the civilian personnel at Syndey airport, for whom I was speaking, were hired they were distinctly given to understand that their rates of pay were 43½ cents an hour plus cost of living bonus of $18 a month. That agreement has not been carried out, and the men have discussed the position as well as they can with the adjutant of the station. I believe, though I would not say this positively, that he feels that the arrangement arrived at there with the men when they were employed is not being carried out. The unemployment insurance and selective service people also passed it back to the Royal Canadian Air Force for interpretation, and the answer just given by the minister's parliamentary assistant is not satisfactory to me. Does the minister intend to write to me on that matter, or is the answer just given to be regarded as final? I gave a specific case.

Mr. MACMILLAN: The specific case referred to by the hon. member will be considered and further information will be brought down.

Mr. POWER: The same answer is given to the hon. member for Bow River (Mr. Johnston) with reference to Calgary. At least, I fancy it is the same answer. If this ruling of the treasury board is to be accepted, then all I can do is to make further representations on the basis of what has been said in this house, and you may win.

Mr. KNOWLES: Does the minister know whether it is possible for us to get some report as to the nature of the treasury board's interpretation and the reason for the decision arrived at, in order that we may try to persuade them to change their mind?

Mr. POWER: The discussions in the house will indicate to anyone who is at all interested that the general opinion in this house is that the interpretation is a bad one. I will send copies of *Hansard* or pass on to them the representations made to me in the house. I do not say that the decision will be favourable, but I will do my best.

Mr. JOHNSTON (Bow River): I agree with the minister that the decision of the treasury board was bad. It was so bad that, I believe, there was a conference between the departments and representatives of the civilian services. In fact, the other day I read part of a letter I had received from one of the members of the treasury board. I do not recall the details now, but it is on *Hansard*. I think the situation is bad, where you have two services, one working for the government and the other in civilian occupations, and one receiving the cost-of-living bonus while the other does not. It is creating hard feeling among the men in the service, and they feel that they have a just claim. I am pleased to hear the minister say that he will take it up further with the treasury board and try to get them to change their minds. It is a most unfortunate situation and one which should be cleared up.

Mr. POWER: There are four ministers on the treasury board, and they may have listened to what my hon. friends have been saying and have decided to change their minds.

Mr. GILLIS: Who are the ministers?

Mr. POWER: The acting leader of the government is one, the Minister of Finance, the Minister of Justice and the Minister of Trade and Commerce, I believe.

Mr. KNOWLES: The hon. member for Bow River has emphasized the unfairness of paying different rates for the same sort of work. Is it not also true that the basic rate varies as between different places? The hon. member for Cape Breton South referred to a rate of 43½ cents for general labour in the maritimes. The basic rate in Winnipeg at one time was 40 cents and I believe is now 45 cents.

Mr. POWER: I am informed that the Department of Labour sets this rate. Let us say it costs more to live in Winnipeg than in Prince Edward Island. Would my hon. friend say the basic rate in Prince Edward Island should be the same as in Winnipeg, or should it not? I am just asking the question.

Mr. JOHNSTON (Bow River): Would not the cost of living bonus enter into it?

Mr. POWER: I do not know; I am just asking the question. I am not trying to justify it.

Mr. COLDWELL: Treasury board consists only of members of the cabinet, but they have certain advisers who sit with them. I should like to know the names of those gentlemen who sit with the treasury board; I think that would be interesting to the committee and to the country. May we have the names of those who sit with and advise treasury board?

Mr. POWER: Really it is so long since I had the honour of being a member of treasury board that I do not remember the name of the secretary. I am told it is Mr. Ronson.

Mr. COLDWELL: I think we would all like to know who are the gentlemen who advise the treasury board, because this seems to be a sort of super-cabinet; they seem to be able to make interpretations and decisions that do not coincide with what the House of Commons expects or, indeed, with what some of the ministers seem to expect.

Mr. POWER: That is true.

Mr. COLDWELL: I should like to know who the advisers are.

Mr. FAIR: I think it would be well if we could learn also the names of those who are the advisers to the advisers of the treasury board.

Mr. KNOWLES: A moment ago the minister asked me a question. In turn I would ask him if he would find out on what basis the different rates are determined, whether it is on the basis of a difference in the cost of living or whether it is on the basis of the going rates in the various parts of the country. Naturally I have no interest in seeing the rate at Winnipeg reduced to what it may be in the east, but it seems to me the difference should be explained, at least.

Mr. POWER: I really think these questions are more for the Department of Labour than for my department, but I am quite willing to make inquiries and see if I can get the information. At the moment I cannot give the answer because frankly I do not know why there should be a difference between the rates of pay in certain sections of the country. It may be based on the cost of living or what

have you, but I shall be only too glad to inquire and give the answer to-night if I can get it.

The CHAIRMAN: The minister did not raise a point of order, but I listened attentively to the last few questions and I believe they are out of order. The Minister of National Defence for Air cannot be expected to answer questions pertaining to the Department of Labour.

Mr. GILLIS: This is not a question for the Department of Labour, because it has been under consideration by the Royal Canadian Air Force for the past year, so far as my end of it is concerned. There is a difference in the rates; I have gone into the question to a certain extent with the people in the maritimes and I understand that the rates are fixed by National Defence, without regard to any other department, based upon the prevailing rates in the district.

Mr. POWER: That is right.

Mr. GILLIS: There is a difference as between different sections of the province. If they come in with a fixed rate and the district rate is lower, their rates are automatically lowered to conform to the highest local rate.

Mr. POWER: It is what I think they call the prevailing rates of pay.

Mr. GILLIS: That is right. What is in dispute so far as I am concerned is the cost of living bonus. At the moment I am satisfied with the minister's answer.

Mr. POWER: I shall do what I can to straighten it out.

Mr. JOHNSTON (Bow River): I realize that the basic rates of pay may be different in different places. The hon. member for Cape Breton South has stated that the basic rate of pay for general labour in his district is 40 cents. I think in Calgary the basic rate for carpenters was 80 cents, while those employed in civilian industry were receiving something like 95 cents. My point, however, is that the cost of living bonus should have no relation whatever to the basic rate of pay. That basic rate may be settled by the prevailing rate within a district, but certainly the cost of living bonus has nothing to do with that. The cost of living bonus is paid entirely because of the rise in prices due to the war, and I think that bonus should be general throughout the country. I do not think it would cost the people in Nova Scotia any more to live than it would cost the people in Calgary, at least so far as the cost of living bonus is concerned. Once you have decided what the cost of living bonus should be, then it should be applied to all industries and all branches of the service, and I should not think the basic rate would have anything to do with it. If the minister would bear that in mind when he is trying to persuade the treasury board that there should be some adjustments made, perhaps it might help. Personally I am afraid he has a hard nut to crack, having in mind the names he has given, along with Doctor Clark, the deputy minister of finance, who I think sits with the board in an advisory capacity. They seem like a pretty tough bunch and he will need a sledge hammer to work on them.

Mr. POWER: We shall do our best.

Item agreed to.

8. M.T. vehicles and marine craft: capital cost and repairs, $10,508,405.

Mr. KNOWLES: May I ask if other questions which have been asked will be answered in due course?

Mr. POWER: My colleague has a few more questions which he will answer. Was there anything special?

Mr. KNOWLES: There was a question in relation to the pay of civilian personnel.

Mr. POWER: I think we have it, and it will be put on the record.

Mr. KNOWLES: It may be in the form of a table.

Mr. POWER: Yes.

The CHAIRMAN: Did the minister say the parliamentary secretary had further answers to give?

Mr. POWER: Yes.

Mr. MACMILLAN: In reply to the hon. member for Winnipeg North Centre (Mr. Knowles), there is a very long answer with regard to salary increases for civil service employees. Is that the one he has in mind?

Mr. KNOWLES: I believe it is. I asked the minister if he would break down the civilian employees into three groups: those who were civil service commission appointees, those who were appointed by order in council, and those who were exempt.

Mr. MACMILLAN: That will be brought in this evening.

Mr. MARSHALL: I was not able to follow the answer the minister gave with respect to radio technicians; I suppose I shall have to read it in *Hansard* to-morrow. However, I should like to ask if any improvements have been made in the status of these radio

technicians since I placed my question upon the order paper last March. From the correspondence I have had I am led to believe nothing has been done, or that nothing had been done up to that time, and the question in my mind is what has been done since March of this year.

Mr. POWER: I can assure my hon. friend that their position is far better than it was at that time. They are getting trade tests now; they are getting trade pay, and more and more of them are being commissioned or remustered to other trades. I have a report which indicates that there is much less dissatisfaction amongst them now than there was two months ago.

Mr. MacNICOL: Did the minister or his assistant answer the question I asked in reference to Mossbank airport?

Mr. MACMILLAN: Yes. The Department of Transport is responsible for the water supply at all these sites, and that department has been asked for a report, which will be given to the hon. member for Davenport. With regard to the situation at the Pas, the answer will be given to the hon. member privately, because it involves secret information.

Mr. ADAMSON: I understood the minister was going to answer all questions before proceeding to the next item.

Mr. POWER: I do not know of any others. Has the hon. member one in mind?

Mr. ADAMSON: I was wondering if there were any which had not been answered.

Mr. MACMILLAN: The hon. member for Cape Breton South asked the Minister of National Defence a question with regard to travelling allowances, berths and meals between eastern and western Canada. While this question was not put to the Minister of National Defence for Air, the answer has been prepared by him. Present regulations regarding rail transportation, sleeping car accommodation, meals and the like in connection with the movement of personnel as laid down in F.R.I. part 13, article 209, were put into effect, after careful study and consultation with the army, and the regulations of both services are uniform in this regard.

These regulations provide that airmen below the rank of sergeant, when travelling on duty, are entitled to second-class transportation and necessary meals. If the trip is of such duration that personnel are required to spend two consecutive nights or more on continuous journey they may be provided with berths in tourist cars, if available.

[Mr. Marshall.]

Because of the present train service in effect on Canadian railways there are bound to be some inconsistencies. The instance quoted to the effect that personnel from the maritimes destined to No. 1 manning depot at Toronto did not get berths is correct. Such personnel would actually spend only one night on the train. Personnel from points, Winnipeg and west, destined to No. 1 manning depot at Toronto are compelled to spend two nights on the train, and are therefore provided with berths in tourist cars, if available.

Furthermore, personnel moving between units in western Canada, for instance from Winnipeg to Edmonton, would not be provided with berths, since the journey involves only one night on the train. In this regard they are treated similarly to personnel from the maritimes to Toronto.

The statement to the effect that there have been cases of personnel travelling between Halifax and Montreal who have not been provided with meals is difficult to reconcile, unless they were proceeding on leave, in which case the onus for obtaining transportation and meals en route is the responsibility of personnel concerned.

The further statement that cases have occurred where personnel did not even get seats on trains between Montreal and Toronto is difficult to check. This may have occurred during a week-end rush, when the situation complained of was not peculiar to service personnel only.

Mr. GILLIS: I have some complaints along these lines. In my opinion the joker in the arrangement is the words, "if possible." There should be no misunderstanding when a number of men in the air force are moved from place to place, on call of duty. That is not a decision made overnight. Those in charge of the situation must know they have a certain number of personnel who will be moving from point to point at a certain time. The railway company should be so informed, so that they would have sufficient time to guarantee that men coming from Halifax to Toronto would be provided with the accommodation stipulated in the regulations.

It was a considerable group of men—I believe it was five, although I cannot vouch for it—that moved from Halifax to Toronto. They were not provided with meals or sleeper accommodation, and they spent two nights on the train. The last night on the train from Montreal to Toronto it was so crowded they had to stand most of the way. These were recruits being sent from Halifax to Toronto to take

basic training. That was not a very pleasant introduction to the service. Even then, they did not complain until they reached Toronto, and were told that they had been given a raw deal, and that personnel moving west of Toronto for the same purposes were provided with berths and meals. Evidently service on that end of the line is good. These boys had a specific complaint. I am sure their complaints were sincere, because I know some of them personally.

In my opinion the expression, "if possible," is the one which should be eliminated. There should not be any misunderstanding. If anyone has to stand up or go without a berth on a train it should be the civilian, who can travel at his own convenience, when he is not under pressure. The services are required to move on order, and there should not be any interference with the regulations concerning their comforts and conveniences en route.

Mr. ADAMSON: Are the bombs dropped on Germany by the Royal Canadian Air Force squadrons paid out of this item of $23,000,000?

Mr. POWER: No; that would be out of item No. 13, for the maintenance of overseas squadrons. This is a per capita arrangement, under which they charge us a lump sum of so much for aircraft, bombs, military transport, food, and items of that kind. The $303,783,729 covers everything. We pay for the bombs our men drop.

Mr. ADAMSON: Bombs and ammunition in this instance would be for training purposes, such as dummy bombs, smoke bombs and the like?

Mr. POWER: Yes, many of them are practice bombs.

Mr. ADAMSON: And for the operational command?

Mr. POWER: Yes, east and west coasts.

Item agreed to.

8. M.T. vehicles and marine craft: Capital cost and repairs, $10,508,405.

Mr. MacNICOL: What are these marine craft?

Mr. POWER: Vessels one has to have, largely in connection with home war establishment, I would say.

Mr. FRASER (Peterborough West): Including boats carried on aircraft?

Mr. POWER: Under the joint empire plan we spend on marine craft $4,900,000; on home war establishment, $2,381,000, and overseas, $21,000. I do not really know what that item would be.

Mr. MacNICOL: What is the meaning of the term, "marine craft"?

Mr. POWER: Rescue vessels, such as were mentioned a short time ago. They would be called out in the event of a crash. Then, it would include tenders, ferries and that sort of thing.

Mr. FRASER (Peterborough West): Do they not carry small ones on the aircraft?

Mr. POWER: No. We have rubber dinghies. They would not come under this item, but would be included in aircraft equipment.

Mr. POTTIER: Is there not a marine section of the air force?

Mr. POWER: Yes.

Mr. POTTIER: And these marine craft would be under the control of that section?

Mr. POWER: Yes.

Mr. FRASER (Peterborough West): Has the Department of National Defence for Air any special designers for these rescue boats, or would that come under the Department of Munitions and Supply?

Mr. POWER: I would say that when we want special rescue boats we have someone make up specifications, and then ask the Department of Munitions and Supply to have them built for us. I think we still have a marine engineer in the department.

Mr. STIRLING: Has the minister the requirements of these refuelling tenders? Have they been supplied with reasonable rapidity?

Mr. POWER: I think as far as marine craft are concerned, we are in pretty good shape. I know we bought a boat of about 500 or 600 tons in Lunenburg to bring supplies to Newfoundland.

Mr. HAZEN: Is automobile transportation supplied to each air training school?

Mr. POWER: I think, all told, we have 3,500 vehicles of different description. Each establishment would have a certain number of vehicles. For example, at Uplands there would be so many staff cars, one, two or three as the case may be, so many caterpillars and so many vehicles of other descriptions. There would also be so many fire-fighting tenders.

Mr. ADAMSON: Would snow-clearing equipment come under this item?

Mr. HAZEN: Are there motor-buses attached to the different air training schools? I have in mind Pennfield in New Brunswick.

Mr. POWER: I am not absolutely sure about Pennfield.

Mr. HAZEN: I am referring to buses which would enable the men stationed there to get to Saint John or St. Andrews or St. Stephen.

Mr. POWER: I would think they would because there is no other way of getting there. It is about forty miles from Saint John?

Mr. HAZEN: About.

Mr. POWER: And about thirty miles from St. George. There must be some kind of transportation. I know we have buses in Ottawa to bring our W.D's. back and forth to Rockcliffe, and also in other places where they are necessary. I do not know about Pennfield, but we should have.

Mr. HAZEN: I do not know whether they have buses, but they should have because these young fellows there are pretty well cut off from the world. I pick them up on the road sometimes and give them a lift at least part of the way.

Mr. POWER: I recollect now that when I was last there they had a bus which went into Saint John in the morning and then would leave Saint John about eleven o'clock at night to reach the station about twelve.

Mr. PERLEY: What equipment is there at Mossbank and Dafoe?

Mr. POWER: I do not know what there would be at Mossbank particularly, but we have tractors, snow rollers, trucks and different kinds of equipment.

Mr. PERLEY: That is a special school.

Mr. POWER: There are graders, tractors, trailers, snow ploughs, snow removers, turf rollers and so on.

Mr. PERLEY: Could the minister give me what they have at Mossbank and Dafoe?

Mr. POWER: Each school is entitled to so many different kinds of motor vehicles, maybe one staff car for the commanding officer and a roller, a tractor and so on.

Mr. PERLEY: Could the minister give the break-down for these stations?

Mr. POWER: The establishment is made up for equipment just as it is for personnel; that is, so many men, so many cars, so many motor vehicles.

[Mr. Adamson.]

Mr. PERLEY: Would the minister give the information for Dafoe and Mossbank?

Mr. GRAYDON: Will the minister look into the question of transportation for the airmen who are stationed at Malton? There has been considerable complaint as to the adequacy of transportation from that school to Toronto. Many public-spirited people have interested themselves in the welfare of the airmen and have given a great deal of attention to this matter. I am not familiar with the recent developments with respect to transportation, but I ask the minister to look into this matter and, if it has not been remedied in the last few weeks, to see that this is done.

Mr. POWER: It is about twenty miles to Toronto?

Mr. GRAYDON: Not quite that far.

Mr. POWER: I will have the answer for my hon. friend.

Mr. MacNICOL: Up until a day or two ago the road was in very bad condition, especially during the wet weather.

Mr. POWER: Is it the condition of the road or the lack of vehicles?

Mr. MacNICOL: I do not know. There is some question about who should keep the road in order. Last time I was over it, it was in dreadful condition, there being a number of pitch holes of one kind and another. Someone undertook to fill in these holes with gravel and then put dirt on top, but when the weather got wet the whole thing went to pieces.

Mr. GRAYDON: My question was directed to the matter of transportation rather than the state of the roads.

Mr. HAZEN: Have any orders been issued to restrict the use of staff cars in order to save gasoline and, if so, to what effect?

Mr. POWER: I cannot say offhand what the orders are, but, like the army, we have issued strict orders about the use of staff cars, trucks and that kind of thing. I shall have the order for the hon. member to-night.

Mr. PERLEY: When the minister is getting the information with respect to the schools at Dafoe and Mossbank, will he also let me have the fuel costs in each case? Is a separate contract issued for the supplying of fuel to Mossbank, for instance?

Mr. POWER: All fuel is purchased through Munitions and Supply, and I think they have tried to divide the business between the different gasoline companies in Canada on an

equal basis. I could not tell whether the gasoline for Mossbank is purchased from Imperial Oil, McColl Frontenac, or some other company. The price is the same, so that there is no competition. We ask Munitions and Supply for the gasoline and they deliver it.

Item agreed to.

9. Fuel costs for aircraft, M.T. and marine craft, $29,368,636.

Mr. DOUGLAS (Weyburn): A complaint has come to me repeatedly—I am sure other members have heard the same thing—which I should like the minister to clear up, because I believe it would be a good thing from the point of view of the general public. It is said frequently by those who live close to airports that when planes come back from making trips they simply let their gasoline run out on the ground. I understand that there is an explanation for this, but I do not know what it is. If the minister could give a full explanation it would prevent constant rumours of wastage which one hears throughout the country. When the victory loan campaign was on, people said: "Here we are with gasoline rationed and these fellows are letting gasoline out on the ground instead of salvaging it. Why is that done? Is there not some way in which it can be salvaged?" I think the public should be given an explanation.

Mr. POWER: That question has come up at intervals during the past two years. I am sure my hon. friend must have heard it many a time. The rumour would arise in Nova Scotia at one time, say, and next you would hear of it in the western provinces. Therefore the head of No. 4 training command asked the *Calgary Albertan* to make an inquiry into the situation. They sent out their own men and I should like to send my hon. friend a copy of their report. Every time this rumour comes up we send out a copy of this report made by an independent newspaper, and therefore not to be considered prepossessed in our favour. I have a copy here and would gladly send it to my hon. friend.

Mr. PERLEY: But what is the answer?

Mr. MACMILLAN: When an aircraft completes a normal training or operational flight, the tanks are refilled, not drained, in readiness for the next flight.

Gasoline is drained from aircraft tanks prior to major repair and overhaul or transfer (when not under its own power), immediately after a crash and, normally, before being placed in storage. When gasoline is drained, it is returned to bulk storage or directly into refuelling tenders for re-issue to aircraft (when taken from undamaged tanks) or filtered, mixed with lead free gasoline and used as M.T. gasoline (when taken from damaged tanks).

Gasoline removed from tanks of aircraft flown into a civilian contractor's plant for repair and overhaul is drained into the contractor's tanks (or into R.C.A.F. tanks where such exist) and re-issued to the aircraft on completion of repair or used for engine test purposes.

Mr. PERLEY: How about the lubricating oil? There is a rumour that that is sold to certain parties.

Mr. MACMILLAN: I have a memorandum on that:

It is the unanimous opinion of petroleum technicians associated with national research council that the employment of re-refined oil in aircraft engines in Canada is not advisable at the present time.

While reclaimed oil is so used in the R.A.F., this is done for economic reasons which do not apply in Canada. In the United Kingdom, initial cost of oil is considerably greater; costs of collection and transportation are much lower, owing to shorter distances, and the volume of oil to be reclaimed is large enough to justify installation of the necessary machinery.

A large proportion of the used oil in Nos. 2 and 4 Training Command is being re-refined by a civilian company at Camsack, Sask., and returned for use in R.C.A.F. M.T. vehicles. There is no suitable contractor in the east, but the possibility of installing a plant in the Ottawa district, to be operated by the Royal Canadian Air Force, is being investigated. Such a plant, if installed, would serve Nos. 1 and 3 training commands.

The larger oil companies (who own practically all the oil drums used in the R.C.A.F.) are not particularly interested in purchasing used oil as an economic proposition, and the greatest difficulty is encountered in finding containers for accumulation of used oil for shipment to such smaller plants as are willing to accept it for reclamation. The small companies cannot supply drums and the large concerns require their prompt return owing to the war-time shortage of metals.

Reclamation of oil must be done to rigid specifications, under proper control. The experience of the army has shown that unit reclamation plants cannot be operated satisfactorily with the type of personnel available.

In the Royal Canadian Air Force as a whole, the only possible course at present is to dispose of used oil under contracts at the best prices obtainable. During the past nine months, 183,904 gallons have been sold for $10,515.09 —an average price of 5·7 cents per gallon.

Mr. MARSHALL: This sum of $29,000,000 odd seems a small amount for fuel oil. Surely it does not include the fuel oil required by the Royal Canadian Air Force overseas.

Mr. POWER: No; everything overseas is under item 13.

Mr. ADAMSON: The minister said in answer to my question about cracked gasoline that the octane rating was 80 to 87. What percentage of lead is used in gasoline for aircraft?

Mr. POWER: I would not know.

Mr. ADAMSON: For operational work it is 100 octane, is it not?

Mr. POWER: From 90 to 100; I could not say exactly, but it is 90 anyway.

Mr. ADAMSON: Has your experience with cracked gasoline been satisfactory?

Mr. POWER: My colleague tells me that they are now testing it out.

Mr. MacNICOL: If we are using gasoline with an octane rating of only 87 it must be used for training purposes. The Americans flying over the north country always use an octane rating of 100. You see it in barrels all over the north country route. The reason for using gasoline with that higher octane rating is that it has more power, will lift an aeroplane faster and carry a heavier load than the 87 rating.

Mr. POWER: It gives much better performance, yes.

Mr. MacNICOL: Is this $29,368,636 for gasoline to be used for aeroplanes purely in Canada? It is used for training purposes?

Mr. POWER: Yes. This covers training, home war operations, hemisphere operations; it does not cover overseas. Everything overseas comes under item 13.

Mr. JOHNSTON (Bow River): With regard to reclaimed oil, have the department investigated the question of cleaning this oil themselves? The minister's assistant stated a moment ago that this oil was being sold to reclaimers at five cents a gallon. When I was in Calgary not long ago I visited one of the plants. It was not a very large place. They bought the oil from the Royal Canadian Air force in Calgary and, if my memory serves me correctly, they were selling it as reclaimed oil for sixty cents a gallon. There was nothing complicated about the plant; it was a very simple affair. I do not imagine the whole set-up would cost very much. If they could buy the oil for five cents a gallon and resell it at sixty cents, and so far as I could see the oil was perfectly good and was being sold for use by all types of automobiles, would it not be worth while for the department itself to install an oil-cleaning plant? Then the oil they reclaimed could be used in the Royal Canadian Air Force transport vehicles, such as trucks, automobiles, and so forth.

[Mr. Power.]

Mr. POWER: All I can say is that this question has come up time after time. I have made inquiries and this is the information I get from the technical officers:

> It is the unanimous opinion of petroleum technicians associated with national research council that the employment of re-refined oil in aircraft engines in Canada is not advisable at the present time.

This question has come up a dozen times and they have always given me the same answer. There is a plant at Kamsack, Saskatchewan, for refining this oil, operated by a civilian company. The oil when reclaimed is used in Royal Canadian Air Force motor transport vehicles. The technical officers say in their report:

> There is no suitable contractor in the east.

I have not checked up on that. They go on to say that the possibility of installing a plant in the Ottawa district to be operated by the Royal Canadian Air Force is being investigated. Such a plant, if installed, would serve No. 1 and No. 3 training commands; that is, Toronto and Quebec.

Mr. JOHNSTON (Bow River): I was not referring particularly to any area, such as Ottawa, though it might be a good place to start one. I never suggested nor do I think it would be proper to use this refined oil in aircraft. My only purpose was—and I was referring to the Calgary case because that happened to be the place I was at—to draw attention to this refined oil which these fellows got at five cents a gallon and turned round and sold at sixty cents, giving them a pretty fair margin of profit. The machinery which they have is quite simple; there does not seem to be anything to it at all. It seems to me that wherever there is a large establishment such as the air force has in Calgary and surrounding districts, it would be well worth while to establish one of these plants.

Mr. PERLEY: Who operates the plant at Kamsack; how much was refined in the last year and how much was paid?

Mr. POWER: I would not know. This statement is that it is refined by a civilian company at Kamsack. It does not say how much they have actually refined.

Mr. PERLEY: Could the minister get the name of the company, and how much oil they secured, at the five-cent rate, to refine?

Mr. CASTLEDEN: What quantity of that used oil from aircraft engines is sold from the air force within a year?

Mr. POWER: I will try to find that out. In the R.C.A.F. as a whole the only possible

course at present is to dispose of used oil under contract at the best prices obtainable. During the past nine months, 183,904 gallons have been sold for $10,515, or an average price of 5·7 cents a gallon.

Mr. JOHNSTON (Bow River): What do they do with the other stuff? Just throw it away? That seems like a tremendous waste. They must have used much more oil than is shown to have been sold.

Mr. FRASER (Peterborough West): Probably the rest of it is burned up.

Mr. JOHNSTON (Bow River): There is not much burned up.

Mr. POWER: I will get one of the technical officers to prepare an answer.

Mr. ADAMSON: Does the minister know for how many hours' operation oil is used? There is a set standard in the air force; oil in the engines is changed after so many hours' operations.

Mr. POWER: I would not know that.

Mr. ADAMSON: I understand that in the Royal Air Force the oil is used considerably longer than we use it here.

Mr. POWER: It probably is. It would be.

Mr. ADAMSON: Has the minister information as to how many hours oil is used?

Mr. POWER: I will find out.

Mr. ROSS (Souris): When the minister is getting this information, in view of what has been said about it, would his advisers be able to tell us what percentage of the used oil they can reclaim? The statement made is that oil is sold at five cents and resold at sixty cents. In all fairness it would be desirable to inform the committee of the approximate percentage that is reclaimed.

Mr. POWER: I will try to get in touch between now and eight o'clock with the officer who does all this oil business and have the information which is asked for.

Mr. FRASER (Peterborough West): You have a reclamation plant at Rockcliffe, have you not—a small one?

Mr. POWER: I do not think so.

Item agreed to.

10. Aircraft, engines and spares, including overhauls, $231,846,296.

Mr. FRASER (Peterborough West): The parliamentary assistant to the minister mentioned that air cadets get part of the equipment which cannot be used for the regular force. What do the air cadets get for training; would they get an old aeroplane, or just the engine, or what?

Mr. POWER: No; we supply the air cadets aero engines and planes of the ordinary training type, wherever the cadets are well organized. There are always planes becoming obsolete or obsolescent, and we supply them to air cadet squadrons to let them learn something about how to run an engine and something about an air frame and so on. There was one on Laurier avenue at the air cadet place for three or four months; it may still be there. We supply the cadets with obsolescent craft so that they will know something about them.

Mr. FRASER (Peterborough West): Will the minister tell us whether the department has made any purchases of helicopters, or whether it intends to do so?

Mr. POWER: I think there are six, or sixteen, on order. I do not know when we are going to get them.

Mr. FRASER (Peterborough West): The minister has to buy them from the United States or Britain?

Mr. POWER: The United States.

Mr. FRASER (Peterborough West): Will they be equipped to alight on water as well as on land?

Mr. POWER: I think so. They are the latest type. But I do not know when they will be delivered. The R.C.A.F. have ordered a certain number of them every year. I cannot give the hon. member offhand the delivery dates, and I doubt if you can be always sure of delivery dates on machines which are constantly changing. They are putting on new gadgets all the time.

Mr. FRASER (Peterborough West): Oh, yes; they are entirely different from the old gyrocopters. I was wondering about their capacity to land on water because I understand it is desired to use them for rescue work.

Mr. POWER: Probably.

The CHAIRMAN: Carried?

Mr. ADAMSON: No, Mr. Chairman. This is the third largest item in the whole R.C.A.F. estimates. Does this include aircraft and engines for hemisphere operational work only?

Mr. POWER: It includes only Canada, not anything overseas. Overseas comes under item 13, $303,000,000.

Mr. ADAMSON: The minister has given us the number of aircraft in the joint training plan.

Mr. POWER: I have not given it exactly. I said, 10,000 plus.

Mr. ADAMSON: Has the minister had satisfaction with aircraft and things like, for instance, the Jacobs engine? I believe there was some trouble at the beginning.

Mr. POWER: I do not know of any engine or aircraft which has not been a headache at some time or other. Apparently the Jacobs engine is working pretty well now. There have been troubles with it. I know my hon. friend will not expect me to relate the technical details or to know what is wrong with piston rings or things like that. It was troublesome for a while, but I believe they have got what they call the "bugs" out of it.

Mr. FRASER (Peterborough West): Is the department buying gliders and transports for troops?

Mr. POWER: We did purchase some gliders but they have not been very satisfactory. We have them in Canada. We have given or sold or leased some to the United States. The kind of glider we bought is not fully developed. We bought them from Great Britain; I could not tell the hon. member how many there were.

Mr. FRASER (Peterborough West): It will be necessary to have transports to carry paratroops?

Mr. POWER: Yes.

Mr. ADAMSON: There is no air-borne training being done in Canada at the present time?

Mr. POWER: Not by us. It would be an army job, anyway.

Mr. ADAMSON: Yes, but the minister's department would have to provide the aircraft. We have a number of new heavy transport planes that could be used for air-borne troops, but they are not actually being trained.

Mr. POWER: They are not actually being carried.

Mr. HAZEN: What company is supplying the helicopters, and what do they cost?

Mr. POWER: I shall have to find that out. As I said a moment ago, these things are changing so rapidly that I do not suppose we would even have a fixed price for them.

Mr. HAZEN: Do you order them before you know the price?

[Mr. Power.]

Mr. POWER: Oh, you would, with a thing like that. We would say, "We want helicopters"; we would ask, "How much is it?" and they would say, "We don't know. We have to make this or that change. We will charge you the actual cost-plus," or whatever it is. Very often you do not know the price of equipment which is bought, because it is constantly changing; so that you cannot get a fixed price. I will try to find out. I suppose they give us a figure of some kind, but it would not be the actual figure until the thing is delivered.

Mr. FRASER (Peterborough West): Can the minister find out the carrying capacity? I think it is definite.

Mr. CASTLEDEN: Will the minister give an outline of procedure with regard to overhaul work done on R.C.A.F. aircraft as regards what they have in their own repair depots and what they do by letting contracts to civilian firms?

Mr. POWER: Most of the overhaul is done by civilian contractors, but we have five or six repair depots of our own where we do ordinary repairs. The larger and more important repairs are done by civilian contractors.

Mr. JOHNSTON (Bow River): That would be under the Minister of Munitions and Supply?

Mr. POWER: Yes. The companies are almost crown companies. He has supplied capital to a great many of them. There is a firm of Macdonald Bros. in Winnipeg who were largely assisted with government funds. They have large hangars and aerodromes and facilities there. A good part of that was supplied by Munitions and Supply. I do not know how they figure the capital cost into the cost of overhaul. That is worked out between Munitions and Supply and themselves.

Mr. CASTLEDEN: The ministers' department has nothing to do with setting the charges or the amounts to be paid for overhaul?

Mr. POWER: That is entirely Munitions and Supply.

Mr. MARSHALL: These figures have to do with home defence and not overseas?

Mr. POWER: Not overseas at all.

Mr. MARSHALL: Not connected with overseas?

Mr. POWER: No.

Item agreed to.

11. Miscellaneous stores and equipment: including machine guns and other armament, $26,623,160.

Mr. FRASER: (Peterborough West): Does this include metal runways?

Mr. POWER: Anything to do with runways would come under item 4, "construction, purchases, repairs and operating expenses of properties".

Mr. FRASER: (Peterborough West): I thought some of these transports carried runways for emergency fields.

Mr. POWER: I do not think metal runways would come under this.

Mr. MARSHALL: Does this include the storage fuel, oil containers and necessary equipment of that sort?

Mr. POWER: Fuel oil would be under operating expenses of properties.

Mr. MARSHALL. I am talking about the storage facilities of fuel oil, gasoline tanks. Perhaps if the minister would give us a break-down of the $26,000,000 we could find out.

Mr. POWER: I will furnish that to-night.

Mr. JOHNSTON (Bow River): Is there any shortage of gasoline barrels or oil barrels to take care of the oil they have there?

Mr. POWER: From what I read into the record, there is apparently a shortage of steel drums. The smaller companies have none to spare and the larger ones want to keep theirs for themselves.

Mr. JOHNSTON (Bow River): Would the R.C.A.F. possess these for themselves if they had the opportunity?

Mr. POWER: We have no drums of our own.

Mr. JOHNSTON (Bow River): Would the department buy any, supposing the public had some to sell? There are quite a number of gasoline barrels and oil storage barrels throughout the country. Would the R.C.A.F. purchase them and keep them as their own?

Mr. POWER: If we felt the need of these drums we would apply to the Minister of Munitions and Supply and he would get them. He is our contractor. We do not buy or order anything. If we want anything we ask Munitions and Supply who are our contractors.

Mr. GRAYDON: You do not buy directly, but you order them?

Mr. POWER: We ask them to buy what our technical officers think is required. But whether we are going to buy drums or not, I cannot say. If the technical officers say that we require something we ask Munitions and Supply.

Mr. JOHNSTON (Bow River): They would ask if they were short of barrels, and I take it from what the minister says that they are not short of storage barrels?

Mr. POWER: I do not think we use them at all.

Mr. ADAMSON: These machine guns are purely for Canadian use?

Mr. POWER: Absolutely.

Mr. MARSHALL: Could the minister give a break-down of the $26,623,160?

Mr. POWER: Yes, we will try to have that to-night.

Item agreed to.

12. Flying training contracts, $33,805,829.

Mr. GRAYDON: I suggest that the minister had better be prepared at eight o'clock to give a fairly comprehensive resumé of the position with respect to these training contracts. There must be a good many of them covering various schools.

Mr. POWER: The hon. member for Lake Centre told us all about them the other day. As my hon. friend knows, he is more familiar with that than almost anyone else in the house. I will give what details I have. Does my hon. friend want to know how much each civilian club received?

Mr. GRAYDON: I do not want to put the minister to unnecessary trouble.

Mr. POWER: It is easy; it is in the book.

Mr. GRAYDON: It would be interesting to have it, because there is a good deal of money involved in the item, and the public would not like to see an item of this kind passed without details in connection with the contracts, the amounts of them, those with whom the contracts are made, and so on, throughout Canada. That is a proper question.

Mr. POWER: I will put all that on *Hansard*.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. MACMILLAN: A question was asked in regard to what companies are supplying helicopters, the number, the cost and the carrying capacity. Six helicopters have been ordered through the United States treasury, as is most

of our equipment not including lease-lend. The estimated cost of the six which are on order is $641,617.84 in American funds. The carrying capacity is a secret and cannot be divulged other than privately to the hon. member.

Mr. FRASER (Peterborough West): That is for six of them?

Mr. MACMILLAN: Yes. Then we were asked for a break-down of the expenditure on air observer schools. It is as follows, from the inception of the schools:

Malton	$1,988,265 47
Edmonton	1,901,011 40
Regina	1,893,216 97
London	1,727,888 35
Winnipeg	1,614,614 24
Prince Albert	1,072,399 61
Portage la Prairie	1,547,143 35
Ancienne Lorette	1,301,139 42
St. Johns, Quebec	1,365,506 48
Chatham, N.B.	1,279,092 76

Then the cost of the elementary flying schools from their inception is as follows:

Malton	$1,335,501 04
Fort William	1,468,702 67
London	750,070 61
Windsor	1,048,678 15
High River	1,700,060 01
Prince Albert	1,330,145 08
Windsor	1,047,656 14
Vancouver	537,137 85
St. Catharines	1,185,109 91
Mt. Hope	1,241,627 32
Cap de la Madeleine	1,227,857 89
Goderich	1,174,643 74
St. Eugene	1,219,979 75
Portage la Prairie	1,320,180 32
Regina	1,155,766 82
Edmonton	1,259,679 28
Stanley	521,025 41
Boundary Bay	1,502,055 68
Virden	1,492,148 29
Oshawa	1,343,695 26
Chatham, N.B.	997,165 70
Ancienne Lorette	306,097 87

That is the complete list.

Mr. REID: The hon. gentleman mentioned Vancouver. Did he mean Sea island?

Mr. POWER: That was Sea island, but it is closed down now. It is used as an operational station.

Mr. REID: That should not be called Vancouver, because it is in the riding of New Westminster.

Mr. GRAYDON: Is that a better place?

Mr. REID: It certainly is; that is why it was put there.

Mr. POWER: The hon. member for Peterborough West asked for a break-down of the next item. I am not trying to say that we have passed this one, but I had better give him the break-down immediately, and I shall send it over to him.

Mr. STIRLING: I believe the minister was to give some information with regard to oil reclamation and the handling of oil, and he thought he would have it at eight o'clock.

Mr. POWER: I thought I could get it, but I am afraid the officer in charge has not been able to give me the information. I shall have it during the evening or in the morning.

Mr. MACMILLAN: The hon. member for Qu'Appelle asked if there was a separate gasoline contract for each individual school. All schools using Turner valley gasoline have individual contracts. Schools receiving their supplies under lease-lend are allocated their aviation requirements from the major oil companies as proportioned by the oil controller.

The hon. member for York West asked what percentage of leaded gasoline is used. All aviation gasoline used by the R.C.A.F. is leaded. The same hon. member asked whether cracked gasoline of 100 octane is used. No cracked 100 octane gasoline is used by the R.C.A.F.

Mr. MacNICOL: The hon. member means none of the 100 octane gasoline is used in Canada?

Mr. MACMILLAN: It is used, but not refined in Canada.

The hon. member for Qu'Appelle asked how many gallons of oil were re-refined at Kamsack, Saskatchewan, and the name of the company doing the work. The Northern Petroleum Company of Kamsack, Saskatchewan is a privately owned company, and the R.C.A.F. has no knowledge of its output.

The hon. member for Bow River asked if the department had looked into the question of reclaiming oil, and not selling it. He asked if it would not be worth while for the R.C.A.F. to have reclaiming machinery of its own. The air force has made a constant study, since the spring of 1941, with regard to the possibility of reclaiming used aviation oil for re-use in aircraft engines. We have been unsuccessful in locating a unit of equipment which will reclaim such oil to the satisfaction of the rigid specifications set up by our engineering division for re-use in aerial engines.

The study has recently shown a new unit, known as Refinoil, manufactured in the United States, which indicates that it may

be possible to reclaim aviation oil for re-use in Canadian transport, on an economical basis. Purchase of one unit has been approved for installation in the Ottawa district, for this purpose.

The hon. member for Battle River asked how much used oil is sold altogether. The answer is 209,726 gallons, for which the sum of $10,236.75 was received. This covers the period from April 1, 1942, to March 31, 1943.

The hon. member for St. John-Albert asked what percentage of oil can be reclaimed. The answer is that approximately eighty-five per cent can be reclaimed.

Mr. STIRLING: I understand from what the minister has said that the only plant for this refining is that at Kamsack, and that there is no plant in eastern Canada.

Mr. POWER: Correct.

Mr. STIRLING: Does that mean that Kamsack has brought used oil a considerable distance?

Mr. POWER: No; as my colleague has said, we are now thinking of setting up a plant in eastern Canada, in the Ottawa district. But so far we have not done so.

Mr. STIRLING: Does the oil at Kamsack come from territory from Winnipeg to the coast?

Mr. POWER: I would say probably all of No. 2 and No. 4 commands, which would be as far as the Rocky mountains.

Mr. STIRLING: Very costly in freight, is it not?

Mr. POWER: It would be, yes. But there are concentrated in Saskatchewan and Alberta many of our training schools. I think they would all go into Kamsack, but it would not be economical to ship it east. We would have to have a plant of our own in the east, and that is what we are thinking of setting up. That would probably take everything from Fort William to Montreal. For instance, it would not be economical to ship from Mont Joli to Ottawa.

Mr. MacNICOL: I was shown through an aviation repair plant in the east end of London, Ontario. The gentleman showing me through the plant said that such-and-such equipment was for purifying oil.

Mr. POWER: I do not think we have a plant there.

Mr. MacNICOL: It may have been for trucks.

Mr. POWER: There was a very large plant there for trucks and motor vehicles coming from Windsor. There was storage at that point. But we are talking about the refining of oil, and I do not know of any such plant in London, Ontario. There is an army plant, and it has nothing to do with us. They ship motor vehicles from Windsor, and store them in London. I believe it was a big building in connection with the exhibition grounds.

Mr. MacNICOL: In the east end of London?

Mr. POWER: As a matter of fact I think they took over the whole exhibition grounds, and stored motor vehicles there for several months.

Mr. MacNICOL: They have the exhibition grounds, but the plant I have in mind is north of that. On second thought, however, I remember it was not for aeroplanes, but rather for army trucks and equipment.

Mr. POWER: Yes; that is correct.

Mr. CASTLEDEN: Can the minister give the quantity of aero-engine oil used from April 1, 1942 to March 31, 1943?

Mr. POWER: I can get that information, although I have not it just now.

Mr. CASTLEDEN: The minister has given us the figures of the amount of oil sold by the air force between those dates, and I should like to have figures showing the amount used in the same period.

Mr. POWER: It can be produced.

Mr. CASTLEDEN: I understand the minister will have a report to make later this evening or to-morrow morning. Can he get those figures?

Mr. POWER: I shall do my best.

Item agreed to.

13. Overseas squadrons and ancillary units, $303,783,729.

Mr. FRASER (Peterborough West): The minister supplied me a summary of costs overseas. I thought when I saw it first it was a break-down of the $303,783,729, but I find it is a break-down of the expenses of the air force overseas, including civil salaries, pay and allowances, gasoline and oil, laundry and the like. This is not the break-down I wanted because the $303,783,729 is not broken down at all.

Mr. POWER: No; this was a deal we made with the British government whereby we pay

for all our squadrons overseas. This includes food, dental and medical stores and supplies, the purchase and maintenance of aircraft, and all other cost of the squadron. The expense depends upon the type of squadron. If it is a fighter squadron, it costs a little less to buy aircraft than if it is a bomber squadron. I do not wish to give figures, but I would suggest that, say, a Lancaster would be worth around a quarter of a million dollars. We pay for all that. Of course the figure of a quarter of a million dollars is just a rough guess. On the other hand a Spitfire would be in the neighbourhood of possibly $40,000 or $45,000. Payment is made on the basis of so much per squadron overseas per annum.

Mr. FRASER (Peterborough West): It is paid to the British government?

Mr. POWER: Yes, to the British government.

Mr. FRASER (Peterborough West): And these other expenses, on top of that?

Mr. POWER: Yes. I believe the actual cost of the squadrons to us is this $303,783,729.

Mr. FRASER (Peterborough West): But when we add up the other total it comes to $383,277,800.

Mr. POWER: Correct.

Mr. FRASER (Peterborough West): I notice an item here of $15,000 for photographic equipment. I should consider that very small.

Mr. POWER: This is for overseas headquarters only. Everything we get overseas is paid for in this lump sum of $303,783,729. There is a break-down, but I suppose most of it is secret.

Mr. FRASER (Peterborough West): It fits into the other item, does it?

Mr. POWER: Yes. For instance for security reasons I cannot tell my hon. friend how many people we have overseas, but the pay and allowances for all our troops over there would come under this item.

Mr. MacINNIS: Would the minister explain the great difference between the estimate for 1942-43 and that for 1943-44?

Mr. POWER: Before answering the hon. member may I add something to what I said to the hon. member for Peterborough West, because I believe I made a mistake when replying to him? The pay and allowances go into the first item, No. 2 on the list, for pay and allowances. So that the $303,783,729 does not include pay and allowances.

[Mr. Power.]

Now, in answer to the hon. member for Vancouver East: Recently, in the month of April, we undertook to pay for all our troops overseas. Originally the men who went over were paid by the R.A.F. at R.A.F. rates of pay, and Canada made up the difference between the R.A.F. and the R.C.A.F. rates. We have now taken over the whole thing and are paying all our men the full Canadian rates. This runs into a considerable amount of money and it accounts for the difference the hon. member has mentioned.

Mr. DOUGLAS (Weyburn): That would appear in item 2?

Mr. POWER: It goes into item 2.

Mr. DOUGLAS (Weyburn): What about the clothing for these men?

Mr. POWER: Food and everything else are paid for on a per capita basis and is included in the $303,000,000. Clothing is on a per capita basis and is included under item 5. Item 13 covers medical and dental attention and everything else.

Mr. DOUGLAS (Weyburn): In other words, item 5, personnel supplies and services, does not cover the men overseas?

Mr. POWER: The $303,000,000 includes what is paid to the British government for feeding and everything else for our men overseas excepting clothing and pay.

Mr. DOUGLAS (Weyburn): We do not ship the clothing over?

Mr. POWER: The army does, but the air force does not.

Mr. DOUGLAS (Weyburn): The British government are responsible for clothing and feeding the men?

Mr. POWER: At so much per head.

Mr. CASTLEDEN: What is the rate?

Mr. POWER: I do not think that has been finally settled, although it is a matter of discussion between the two governments. The $303,000,000 is made up by estimating what it will cost to keep the men in the R.C.A.F. squadrons in England for a year. I do not think the rate for the last war has been settled, but at that time they paid something like $2 per man per month.

Mr. CASTLEDEN: It will be most important that someone find out some time.

Mr. POWER: They were still working on the rate for the last war ten years ago, and I do not know what settlement eventually was made. I think they arrived at one on a

hit-or-miss basis and decided to call it square because Canada owed them so much. I imagine that is what will happen in this war.

Mr. KNOWLES: Surely the minister does not mean $2 per man per month?

Mr. POWER: Per day. That covers food and clothing and ammunition, if it is an infantry man.

Mr. HANSON (York-Sunbury): From the very beginning Canada paid the pay and allowances and upkeep of her army overseas, but we have done this only recently in connection with our air force. Why was that?

Mr. POWER: Under the empire training agreement Canada undertook the responsibility of paying practically all costs in Canada, which amounted to eighty per cent of the total cost. Great Britain undertook to take the man from the moment he got on the boat at Saint John or Halifax or any other eastern port and pay him from then on. Canada undertook to pay the difference between the British and the Canadian rates of pay, because the British rates were somewhat lower. In April of this year we signed a new agreement whereby we become responsible for the pay and allowances of all the R.C.A.F.

Mr. TUSTIN: Is the difference in pay between the R.A.F. and the R.C.A.F. rates made up to the man who has joined the R.A.F.?

Mr. POWER: Who joined the R.A.F. pre-war?

Mr. TUSTIN: Yes.

Mr. POWER: If a man joined pre-war, he would probably still be R.A.F. The hon. member for York-Sunbury referred to one man who went over in a cattle-boat. We would not be paying the difference in pay to a man who is still R.A.F.

Mr. HANSON (York-Sunbury): He cannot get transferred back to Canada to the R.C.A.F.

Mr. POWER: That has been a matter of great discussion. The man to whom my hon. friend has referred could apply to his commanding officer for transfer to the R.C.A.F. If his commanding officer recommends it and we find that he will be useful to us, we would take him in. There have been only two or three cases of transfers because it is a very difficult matter. Take a man like Collishaw, who is now air vice-marshal. If he were transferred, there would be a matter of seniority to consider. The matter of transfer from the R.A.F. to the R.C.A.F. is rather difficult.

Mr. HANSON (York-Sunbury): I know of another case of a man from Canada who went overseas pre-war and joined up with the R.A.F. He became a very useful man and was sent to Canada for instructional purposes, still with the R.A.F. He has not been allowed to transfer to the R.C.A.F., although I have been trying to get him transferred.

Mr. POWER: He could make application to his commanding officer.

Mr. HANSON (York-Sunbury): He has made application and they do not seem to want to let him go. This man could be very useful to Canada.

Mr. POWER: The difficulty is that the more valuable a man is to the R.A.F., the less they want to transfer him to the R.C.A.F. That is one of the difficulties. The R.A.F. do not want to send back the good men; they may send us a lot of fellows who are not so good.

Mr. HANSON (York-Sunbury): I am still trying to get him transferred.

Mr. FRASER (Peterborough West): The minister has said that clothing and equipment are included in the $303,000,000, but there is an item here in this list of the R.C.A.F. overseas war establishment estimates for clothing and necessaries, $2,615,909. Would that be for men who are not really in the war establishment overseas?

Mr. POWER: I am advised that clothing is in another item altogether.

Mr. FRASER (Peterborough West): This item of $2,615,909 is exactly the same as it was last year.

Mr. POWER: That would be under item 5, "personnel supplies and services: food, medical supplies and services, clothing and personal equipment." That is how my hon. friend gets the $383,000,000 instead of the $303,000,000. The cash amount we are going to spend on the squadrons is $303,000,000.

Mr. FRASER (Peterborough West): The $303,000,000 will have added to it the other figures in here?

Mr. POWER: Absolutely.

Mr. FRASER (Peterborough West): Then there is a small item of $12,355 for medical supplies and services.

Mr. POWER: That would go into the $383,000,000; that would be for headquarters' personnel.

Mr. FRASER (Peterborough West): Perhaps the other figures are also headquarters?

Mr. POWER: Yes.

Mr. FRASER (Peterborough West): Would it not be wise to place this table on *Hansard* in order that it might be available to other hon. members.

Mr. POWER: I would be glad to make this available to my hon. friend personally.

Mr. MacINNIS: Is the Canadian government paying all the expenses in regard to the empire training plan in spite of the fact that we are taking care of our own men overseas?

Mr. POWER: At the conference held last January we hit on a figure of $1,400,000,000 odd to cover between now and 1945, and Great Britain undertook to pay $723,000,000, or about half. They are supplying that mostly in terms of gasoline and aircraft which they get from the United States. So far they are a little shy on their share.

Mr. MacINNIS: Does Canada pay the other part?

Mr. POWER: The actual cash is spent by Canada; then Britain owes us that much.

Mr. MacINNIS: Do New Zealand and Australia pay any part of the expenses?

Mr. POWER: The cost is divided half and half between Britain and Canada, and then Australia and New Zealand pay Britain so much per head.

Mr. DOUGLAS (Weyburn): Does the minister mean that the total cost of the air training scheme is cut in half; that Canada pays half and Britain the other half, and that Britain then charges Australia and New Zealand so much per head for training their airmen?

Mr. POWER: That is quite right. That is to say, in the agreement the cost up to 1945 was fixed at roughly $1,400,000,000; Great Britain undertook to pay through lease-lend or in kind, $723,000,000 approximately and Australia and New Zealand then make their own arrangements with Britain either through credits or some other system.

Mr. DOUGLAS (Weyburn): They pay so much per head to Great Britain?

Mr. POWER: Yes, the reason being that Canadian pupils constitute roughly fifty per cent and pupils from Britain, Australia and New Zealand the other fifty per cent. But Britain has the right to send us Netherlanders or men of any other race, provided they keep within the quota of fifty per cent. They may send Poles, Norwegians, Netherlanders up to Britain's quota of fifty per cent, and they are charged to Britain's share.

Mr. ADAMSON: Are our squadrons overseas paid for on a per diem basis? The expenses of a squadron might vary considerably depending upon the number of operations undertaken, the losses in operation and many other factors. Is it a fixed sum per squadron per diem, or what?

Mr. POWER: A Spitfire squadron, for example, would have a capital cost of roughly £185,000, and the cost of maintenance would probably be £540,000. When you get into the big bombers you run yourself into about £840,000 for equipment, and maintenance would be probably four times that, depending upon the operations.

Mr. ADAMSON: Do we estimate the maintenance at the beginning of the year, or does that depend on our losses?

Mr. POWER: Under the arrangements made with Britain in January the capital cost of the latest equipment is $74,000,000 and the annual maintenance cost of the latest equipment is $222,874,000.

Mr. STIRLING: That is an all-Canadian squadron?

Mr. POWER: No; for the authorized Canadian squadrons.

Mr. ADAMSON: And that is irrespective of the number of operations in which it is engaged? It is a figure arrived at empirically?

Mr. POWER: It is mostly guess work, subject to review every year.

Mr. ADAMSON: It is an empirical figure?

Mr. POWER: Yes.

Mr. STIRLING: Who pays for the establishment from which the squadrons operate—the hangars, the buildings, the administrative structures? Does Great Britain pay that, or does it come out of this item?

Mr. POWER: I am advised that we make a lump sum payment and the Royal Air Force pay everything else. It goes into the per capita cost. Suppose we have a group headquarters in the north of England and have to take over a castle or a house or something of that kind. That goes into the cost per squadron.

Mr. STIRLING: Suppose another hangar is wanted at such and such an aerodrome? Britain puts it up and—

Mr. POWER: That goes into the cost of the squadron. The Royal Air Force pay for it originally and charge the accommodation back to us.

Mr. MacNICOL: When item 9 was under discussion the minister said that gasoline for overseas use would come under item 13, if any. May I ask whether the gasoline used in the planes flown by Canadian pilots overseas is supplied by Great Britain or Canada?

Mr. POWER: That is what is called the ferry command. That is Royal Air Force.

Mr. MacNICOL: No; I mean planes flying from England to attack Germany or Italy.

Mr. POWER: That is charged in this $303,000,000.

Mr. MacNICOL: Is it supplied by Britain?

Mr. POWER: Yes, and paid for under this per capita system.

Mr. MacNICOL: The gasoline used over there is 100 octane, is it not?

Mr. POWER: I should think so.

Mr. MacNICOL: The British and the Americans all use 100 octane gas. The axis powers, I have read, have not been able to develop the 100 octane gas, although they have invented a process whereby they get over 87 octane. German gasoline is a good deal higher than 87 octane; it may be well up to 100, and I have been wondering just what would happen if German planes were transported across the ocean either in submarines or by some other method and came in contact with our aeroplanes on the Atlantic coast. If the Germans were using a gasoline close to 100 octane, their planes would be much faster because 100 octane gas drives the planes faster; they can also climb more quickly and carry a heavier load. A four-motored bomber, with four 1,500-horsepower engines, using 100 octane gas would carry five more 1,000-pound bombs than a plane could that was using 87 octane gas. I am just wondering what our planes on the Atlantic coast would do if attacked by German planes using this higher octane gas.

Mr. POWER: I would not be able to answer the somewhat involved technical question put by my hon. friend, but I do know that all our ships flying from Canada to Britain use 100 octane gas.

Mr. MacNICOL: That is the bombers on the ferry command?

Mr. POWER: All the planes used in our coastal operations would use 100 octane gas.

Mr. MacNICOL: But this afternoon the minister said a lower octane rating was used.

Mr. POWER: I was speaking of training planes. They would not necessarily use the 100 octane gas, but our operational planes would.

Mr. MacNICOL: That gives me a good deal of relief if our Atlantic coast planes are using 100 octane gas.

Mr. POWER: What my hon. friend has in mind probably are the planes flying on the northwest transport stage.

Mr. MacNICOL: No; I was thinking of our planes flying on the Atlantic coast.

Mr. POWER: They would all use 100 octane gas. I thought my hon. friend had in mind the planes on the northwest stage route that goes up north to Alaska. They are mostly American planes, carry American gasoline of 100 octane rating. I do not want to go into particulars, but the C47 and the Lodestar, for instance, both American planes, use 100 octane gas, like all American planes.

Mr. MacNICOL: All the gas used in the United States war planes is 100 octane. We make no 100 octane gas in Canada?

Mr. POWER: I do not think so.

Mr. MacNICOL: I hope after we win the war Canada will see to it that we get some of those vast boilers which the Germans use in the hydrogenation process to assist in making high octane gas.

Mr. KNOWLES: A few moments ago the minister was answering questions relating to the transfer of Canadians in the R.A.F. to the R.C.A.F. He left us rather up in the air, and I am still wondering if there is not something his department could do on behalf of Canadians who are anxious to make such a transfer. As he knows, there are cases of men—I have been in touch with the minister about one—

Mr. POWER: That has been under very active consideration and still is a matter of discussion with the Royal Air Force. The R.A.F., very naturally, do not want to lose some of their best men. Some of their men who joined before the war, say five or six years ago, have the natural feeling, now that we have a Royal Canadian Air Force that they would like to join us. They have first to go before their commanding officer. If he gives permission we check up on the applicant, and if he is suitable for our purposes we take him in. But so far the thing is still only being discussed.

Mr. KNOWLES: I fully understand the position of the Royal Air Force in that situation, but it seems to me that as yet the machinery is not very clear. The minister says that a Canadian in the R.A.F. who wishes transfer to the R.C.A.F. can go to his commanding officer; that is, I take it, to his commanding officer in the Royal Air Force. I have in mind a case of a Canadian, who—incidentally, he served in the last war—joined the R.A.F. before the R.C.A.F. was over there, and is now in Canada. He was posted to Canada at his own request because of the difficulties his family were facing under the lesser allowance, and he finds now that he is likely to be posted back to Britain. While he is perfectly happy to go back he would like to go back in the R.C.A.F. He tells me that he approached the R.A.F. commanding officer, and that that commanding officer told him to get in touch with the R.C.A.F. at Ottawa. He has been in touch with me, and I have taken the matter up with the minister, who has given me by letter the same reply he made this evening. There seems to be no other move which can be made; the man is stymied whichever way he turns.

Mr. POWER: The thing is in process of being settled. It is not settled yet. But the man to whom my hon. friend refers would not be suffering from lack of pay, because even if he is R.A.F., if he is in Canada he gets paid at R.C.A.F. rates of pay. Does my hon. friend understand that?

Mr. KNOWLES: I understand that perfectly. The point is that he expects to be posted back to Britain very shortly, and that if he is then in the R.A.F. his family's allowance will be reduced, whereas if he were transferred to the R.C.A.F. before being posted back, that would not happen.

Mr. POWER: My hon. friend is quite right. That is one of the things we are trying to settle.

Mr. KNOWLES: The minister will agree with me that this man faces quite a difficult situation.

Mr. POWER: Quite.

Mr. MacNICOL: I wonder if the minister has in hand a statement of the approximate number of gallons of gasoline that were used, say last year, or the number estimated to be used under this appropriation, by our air force overseas—

Mr. POWER: My hon. friend wants to know how much gasoline we use in our training schools in Canada?

[Mr. Power.]

Mr. MacNICOL: How many million barrels?

Mr. POWER: My hon. friend wants the figures of consumption in Canada, does he? I would not know what was being used by our squadrons in Britain. If my hon. friend wants to know how much gasoline is used in our training schools in Canada I will try to get that for him.

Mr. MacNICOL: I should like a compilation of the amount of gasoline Canada is using in all its war activities. I am not in a hurry to have the figures to-night. Would the minister give the number of barrels, and the octane content, first in Canada, then the number used on the sea-coasts in the defence of Canada, and also the number we pay England for, in the flying of our air service overseas?

Mr. POWER: As to the first two matters for which my hon. friend is asking, what we are using in training, I think I can get for him; then, what we call home war establishment on both coasts, I think I can give him that too; but I doubt very much whether the British government would let me know how many gallons of gasoline they use in our squadrons over there.

Mr. MacNICOL: I wondered how this estimate was made up. Would the minister not have some record from the British government of how many gallons of gasoline they call upon us to supply to fly our machines overseas?

Mr. ROSS (Souris): If the minister is getting that information as regards gasoline, I wonder if he would couple it with the amount of motor oil—lubricating oil for machines—used in Canada.

Mr. POWER: I think we can get that.

Mr. ADAMSON: Does the same agreement apply to Canadians in parts of the world other than England?

Mr. POWER: In Ceylon and—?

Mr. ADAMSON: Africa.

Mr. POWER: Absolutely.

Mr. ADAMSON: How about ground crew? The other night the minister was discussing the relative numbers of Canadians in the Canadian squadrons and Canadians in the R.A.F. squadrons. The Canadian squadrons now have Canadian ground crew. Are there any Canadian ground crew with R.A.F. squadrons, or are there any Canadian ground crew in other parts of the world than Great Britain?

Mr. POWER: We have something like 5,000 radio mechanics who are in the R.A.F. all over the world. They are ground crew; they are not flyers.

Mr. ADAMSON: Are they considered ground crew?

Mr. POWER: Yes. They do not fly. They are not aircrew.

Mr. ADAMSON: No; they do not fly, but I did not know that they are definitely considered as ground crew. One more thing: There is no formation in Canada corresponding to the R.A.F. regiment?

Mr. POWER: No.

Mr. ADAMSON: We have no such unit for aerodrome protection?

Mr. POWER: The army does that for us. It is mostly veterans' guard.

Mr. BLACKMORE: Referring to the matter of Canadians serving in the R.A.F., I wonder if there is any sufficient reason why Canada should not undertake to pay Canadians who are serving with the R.A.F. such an amount as, added to what they are receiving from the R.A.F., would put them on a basis equal to that enjoyed by those serving in the R.C.A.F.

Mr. POWER: We do that; all Canadians who enlisted in the R.C.A.F. originally and are overseas, whether they be in Burma or India or Ceylon, are being paid Canadian rates of pay. The only question is that of men from Canada who before the war went to England and joined the R.A.F. They never were R.C.A.F.; they joined the R.A.F. and still belong to it.

Mr. DOUGLAS (Weyburn): But they are Canadians.

Mr. POWER: They were born in Canada; they are Canadians. But the question becomes more and more complicated. If you go back twenty-five or thirty years you will recall that quite a large number of men—Collishaw, for instance—who were in the Royal Air Force, remained with it after the war. I doubt very much whether these people want to come to the Royal Canadian Air Force, and if they did I do not know just how they would fit in our picture if they are senior to many of our people. But the ordinary man who left here before the war—a great many of them went over in cattle-boats and the like because they were in a hurry to join up—can make application to his commanding officer, and if the commanding officer—who is Royal Air Force—approves it we will accept it. As, however, I told my hon. friend, the question is not quite settled; there are all kinds of difficulties about it. The man who enlists in the Royal Air Force joins for six years; with us in the Royal Canadian Air Force he joins for the duration of the war. The Royal Air Force would have the right to say to us, "This man has joined for six years. If you take him into the Royal Canadian Air Force, will you pay him for the services he does not render us?" The pension rates have been fixed by the Minister of Pensions and National Health and next-of-kin of the men would be paid at the Canadian rates of pension. If they left four years before the war they are on Canadian rates of pension. The only question for them is, do they want to come to the Royal Canadian Air Force. If they do we are most sympathetic, but we cannot buy them out of their contract with the Royal Air Force.

Mr. JOHNSTON (Bow River): Although they are on Canadian rates of pension, the British government has to pay the pension?

Mr. POWER: Yes; that is to say, if they have a disability when they come back; or if unfortunately they are killed, their widows or mothers, or whoever the next-of-kin may be, will be on Canadian rates of pension.

Mr. JOHNSTON (Bow River): Paid by the British government?

Mr. POWER: Paid by the Canadian government.

Mr. JOHNSTON (Bow River): The Canadian government?

Mr. POWER: The British pay according to their rates and we make up the difference.

Mr. KNOWLES: May I press further the case of the family of the man to whom I referred a few minutes ago. This man is one of those who got over to Britain probably on a cattle-boat before the Royal Canadian Air Force got there. He was a Canadian, with a home and a family in Canada. He went to join the Royal Air Force and is still in the Royal Air Force. While he was in England his family in Canada received allowances less than those received by dependents of Royal Canadian Air Force men, but he was posted to Canada and is here now and the allowance paid his family has been increased. When, however, as is quite likely, he is posted back to England in the near future, the allowance received by his family will go down again.

Mr. POWER: That is so.

Mr. KNOWLES: If it is possible for extra payment to be made to the family of this

Canadian in the R.A.F. while he is in Canada, why is it not possible for that same extra amount to be paid to a Canadian in the R.A.F. in England?

Mr. POWER: The hon. member states the case accurately; what he has said is quite true. I do not know, however, why the Canadian government should be charged with the payment of extra rates for somebody who is not serving this government. He is serving the British government.

Mr. KNOWLES: Who pays the difference between the British and the Canadian rates while this man is posted in Canada?

Mr. POWER: The Canadian government does.

Mr. KNOWLES: Then one might ask, why should the government do that? If the government does that while the man is in Canada, why not do it for him while he is in England?

Mr. POWER: I am advised that he is a servant of the air training plan and that a part of his salary would be charged to Great Britain. We pay the whole lot and Britain pays its share to us. That is the only way I can explain it.

Mr. HANSON (York-Sunbury): He is serving this government.

Mr. POWER: While he is here he is serving this government. When he goes back to England he is not serving this government and I do not know what justification there would be for us to pay extra to his wife or next-of-kin when he is no longer our servant.

Mr. KNOWLES: While he is in this country he is serving this government, and yet the minister is not in a position to make representations on the man's behalf in his endeavour to be transferred.

Mr. POWER: I could make representations, but I very much fear the British government would not listen to them. If this committee thinks that we should pay somebody who is serving some other government, that is a different matter. As I have told my hon. friend, this is one of the thorny points we have to discuss and decide. We could transfer him to the R.C.A.F. if the British government would allow him to be transferred, but they think he is too valuable.

Mr. HANSON (York-Sunbury): He is their enlisted man.

Mr. KNOWLES: I can see that the problem is thorny if you try to force the R.A.F. to allow the man to transfer to the R.C.A.F., but it is not quite so thorny to consider paying the dependents of a Canadian, when he is in England, just as you do when he is here. I wonder whether that point has been given consideration.

Mr. POWER: I am advised that we have made representations. If we want to pay R.C.A.F. dependents' allowances to all wives and next-of-kin—New Zealanders, Australians and everyone else—of men who serve in Canada, the other governments would not like to undertake that financial obligation. It is too much. They do not want to take it on. The R.A.F. have fixed their own rates and they do not see why they should pay Canadian rates.

Mr. KNOWLES: At the moment I am not suggesting that you should try to get the R.A.F. to increase its rates. I am suggesting, however, that the Canadian government, which pays the difference to the dependents of a Canadian while he is located in Canada, should also consider paying that difference to the dependents of a Canadian while he is posted in England.

Mr. POWER: I will look into the matter. I am serious about it when I say that I do not know how it can be done. After all, he is working for another government. He may be a Canadian, but he hired himself to another government. Why, therefore, should we pay him the difference between our rates and the salary which he contracted to take, including his dependents' allowance and what have you? If the Canadian people wish to do it I have no objection. Perhaps my hon. friend can make a good case.

Mr. KNOWLES: It is tough on the dependents here.

Mr. POWER: Yes; but why should we take over responsibilities that are not ours? We are not getting service for it from the man in question.

Mr. DOUGLAS (Weyburn): Does it not rather weaken the minister's argument when you reflect on what he said a few minutes ago? If this man, a Canadian in the R.A.F., is unfortunately killed overseas, this government will accept responsibility—

Mr. POWER: My hon. friend has me there.

Mr. DOUGLAS (Weyburn): —for dependents' allowance, in addition to the British dependents' allowance, although he was not this government's responsibility and was not serving them. This government, nevertheless,

have agreed to pay that difference. It is a very good idea, but if you carry the argument to its logical conclusion it weakens the minister's argument.

Mr. POWER: I fear my hon. friend has me there; he is logical and I was not. It is the Minister of Pensions and National Health, with his well-known sympathetic consideration, who has put it over for the pensions. The position is most illogical, but it exists.

Mr. NOSEWORTHY: Just what is the difference between your paying these boys the difference between the English and the Canadian standards and paying the R.C.A.F. boys who are serving the R.A.F. as you do? What is the material difference?

Mr. POWER: I do not quite understand that.

Mr. NOSEWORTHY: We pay the Canadian boys who are now serving in the R.A.F.—

Mr. POWER: Right.

Mr. NOSEWORTHY: —because they belong to the R.C.A.F., and we make up the difference?

Mr. POWER: Yes.

Mr. NOSEWORTHY: So far as their contribution is concerned, where is there any difference?

Mr. POWER: None.

Mr. NOSEWORTHY: Is it not all the same cause?

Mr. POWER: The only answer is that one contracted with the Canadian government and the other with the British government.

Mr. NOSEWORTHY: But it is all the same cause.

Mr. POWER: I agree with my hon. friend and I have been trying to work it out, but I have not yet done so. If the committee will let me struggle with it again we may succeed.

Mr. KNOWLES: May I make a further comment in connection with the minister's struggle. The man who joined the R.A.F., when he is over here in Canada, is rendering us a service, the minister says, and therefore we are liable for him. If you are to be consistent you should say that the man in the R.C.A.F. serving with the R.A.F. should not be our responsibility. I do not want the minister to adopt that principle, but it is logical. It seems to me that if we still maintain responsibility for those who are with the R.A.F. when they are here in Canada, it is perfectly consistent for us to accept responsibility for Canadians who are with the R.A.F. over on the other side.

Mr. POWER: Perhaps I did not make myself clear. If the man is serving in Canada in the empire training plan, it is the plan that is responsible for him while here, though Canada is the administrator of the plan. Britain pays fifty per cent of the cost, so that he is charged to the plan and Canada only pays fifty per cent of the increased pay and allowances. Then when he goes back to Great Britain, as my hon. friend suggests he is on R.A.F. rates of pay; he is not on the Canadian rates or the B.C.A.T.P. rates. Then he is working for the British government, not for us. I do not mind studying the point further, but I am convinced that it would not be logical for us to pay his salary and allowances any more than it would be logical for us to pay a share of the salary of the colonial secretary, say, or anything else. It is true, of course, that we are fighting for the same cause.

Mr. KNOWLES: As the hon. member for Weyburn says, it is just as logical as what is being done by the Minister of Pensions and National Health.

Mr. POWER: Yes; we have done an illogical thing in taking responsibility for the man's pension.

Item agreed to.

14. Sundries: including printing, stationery and other costs not included in the above items, $7,818,706.

Mr. FRASER (Peterborough West): Does the printing of the casualty lists come under this heading, the information bureau which sends out those casualty lists?

Mr. POWER: All printing comes under this including our publication called *Wings;* I do not know whether my hon. friend has ever seen it.

Mr. FRASER (Peterborough West): The information bureau sends it out?

Mr. POWER: The casualty list; not *Wings.*

Mr. PERLEY: Where is that edited?

Mr. POWER: At our headquarters here in the Jackson building. We have a printing establishment of our own, and we sell this paper for five cents. It is rather a good looking publication.

Mr. PERLEY: What is the cost of operating it?

Mr. MacNICOL: Does it pay for itself?

Mr. POWER: I do not know but it must come pretty close to it. We do not carry any advertising in it, so that the revenue comes from sales at five cents per copy.

Mr. CRUICKSHANK: Does it carry any of the speeches in this house?

Mr. POWER: No.

Mr. MacNICOL: How is the increase of $3,000,000 made up?

Mr. POWER: Does my hon. friend want a break-down of these sundries?

Mr. MacNICOL: A break-down of the additional amount. How is the increase made up?

Mr. POWER: There are four items I have here: photographic equipment, printing and stationery, air cadet expenses and air cadet capitation grant, and sundries. There is a sum provided under B.C.A.T.P. for photographic equipment.

Mr. MacNICOL: That is for taking photographs from the planes?

Mr. POWER: This amount in item 14 includes such things as public relations, photographs of our airmen and so on. We have a little procedure of our own; if unfortunately a man is killed we like to be able to send a photograph to his next-of-kin.

Mr. MacNICOL: It does not mean the equipment used to take photographs from planes?

Mr. POWER: No.

Mr. FRASER (Peterborough West): Does that include the photographing of the letters of airmen which are sent by air mail, the airgraph letters?

Mr. POWER: No; those come under the Post Office Department.

Mr. ADAMSON: The minister has not given any figures in regard to recruiting. What item do they come under?

Mr. POWER: They are in here.

Mr. ADAMSON: What is the cost of recruiting?

Mr. POWER: It comes under the sundries; I will get it. The total cost of advertising recruiting campaigns last year was $340,000. The total anticipated for this year is $750,000. That covers radio, advertising and all the things that go with recruiting.

[Mr. MacNicol.]

Mr. ADAMSON: Is the air force still carrying on that campaign of advertising in the small weekly newspapers, does the minister know?

Mr. POWER: I do not think so. I think principally we are publishing half-page advertisements in the metropolitan dailies and that sort of thing. It costs quite a lot for a half-page advertisement.

Mr. ADAMSON: And of course this includes the recruiting for the women's division?

Mr. POWER: Yes. We are now looking principally for aircrew.

Mr. BOUCHER: Could the minister give some explanation as to the rapid increase in the cost of recruiting, some general explanation?

Mr. POWER: Any explanation would only be this, that a year ago it was very easy for us to get aircrew; they were flocking into our recruiting depots, but now it is becoming tougher to get aircrew and we have to go out and look for them. At one time we really had too many; now we may be running short, though not very much.

Mr. BOUCHER: Could the minister give any particulars as to any new means or methods that are being employed in connection with recruiting, which would bring about this increase in cost?

Mr. POWER: By full-page or half-page advertisements in the newspapers; by radio talks; by moving pictures; by any sort of stimulation that would make the younger generation want to join the air force. We have the air cadet league and all these things which go to make people feel that they would like to join the air force, and what we really need are aircrew.

Mr. BOUCHER: Then the minister would say there is no new method of recruiting but rather a general expansion of the old methods?

Mr. POWER: Yes.

Mr. EDWARDS: Is the cost of the air cadet movement included under this item?

Mr. POWER: Yes. Expenses last year in connection with the air cadet league were $1,100,000, and the air cadet capitation grant—that is to say, we pay so much for the clothing of the air cadets—came to $20,000 last year and is estimated at $35,000 this year. We expect fifteen thousand more air cadets.

Mr. NOSEWORTHY: Are many transfers accepted from the army into the air force

ground crew? I am thinking of a number of men who have sought to be transferred from the army to the ground crew of the air force. Is there much of that being done?

Mr. POWER: I would not think so; certainly not at the moment. A man has to get permission from his commanding officer before he can transfer, or rather he must get his discharge from the army and be reenlisted in the air force, and that is rather difficult.

Mr. TUSTIN: To get back to the question of advertising, all over the country to-day we see large photographs which look like lithographed pictures in colour. As I go down the main street of my own town I see three or four of these large photographs in each store window. To me they look like costly photographs, and I should like the minister to tell us approximately the cost of each one. It seems to me this is a great waste of money. Surely we should be able to advertise the air force to better effect than through these pretty pictures, especially when we see three or four of them stuck in a small store window in a small town. I have had a great many people complain to me of the extravagance shown by scattering so many of these pictures around the country.

Mr. POWER: I would have to find out the cost. The problem of recruiting is, I suppose, like the problem facing a tobacco company, say, that wants to sell its cigarettes. It constantly impresses upon the public that its cigarette is much better than any other. That is what a company does when it wants to sell tooth-paste, and so on.

Mr. TUSTIN: And are you trying to show that the air force is better than any other service?

Mr. POWER: Therefore the air force has these pictures, but I could not tell my hon. friend what they cost per sheet.

Mr. TUSTIN: They are very extravagant-looking pictures.

Mr. POWER: Yes, they are very extravagant-looking. And the reason why we want to make them extravagant-looking is that we want to make people say they want to join the air force.

Mr. EDWARDS: Is this advertising, so-called, done through recognized commercial advertising agencies? Is the advertising placed through that sort of medium, or is it done directly by the air force through posters in the newspapers?

Mr. POWER: I think it is done through advertising agencies, usually. There is one in Toronto, I believe—Cockfield, Brown and Company. I am not sure of the name, but anyway there is one. In fact I think all the advertising agencies have got together now to carry most of the government advertising. I believe that organization is known as National Advertising. There has been an amalgamation anyway. I would not really know the name of the firm that carries our advertising, because it is all mixed up together.

Mr. JOHNSTON (Bow River): The thing which amazes me is that when the minister rises in his place to talk about his methods of recruiting he refers to the cost of advertising. It boils down to this, that the one of the three armed services which can do the best advertising gets the recruits. I can just imagine that when the Minister of National Defence for Naval Services is before the committee, and we ask him how he gets his men, he will say it is done by advertising. He will say that they have to go out and advertise, and that they have to advertise a little more attractively than does the Minister of National Defence for Air.

Therefore, in the final analysis, the fellow who makes a profit out of this thing is the advertising man. I must say the whole method is wrong.

Mr. ROSS (Souris): Is there any cooperation among the three armed services in the matter of going after recruits? I am wondering where national selective service enters into the picture. According to the minister's story, this is a matter of competition between each department to see who can put on the best show, to get the men. Is that correct?

Mr. POWER: I would not exactly say that. As a matter of fact the Minister of National Defence for Naval Services says he does not have to advertise for the navy, because it has an appeal of its own. For many months we in the air force did not have to advertise, either. But at this time we shall have to advertise, if we want to get the people we want. And I am not in competition with the Minister of National Defence, army, because we have a different class of people we take. Possibly I should not put that on *Hansard*—I should say not a better class.

An hon. MEMBER: Better put a soft-pedal on that.

Mr. ADAMSON: National selective service does not help you, at all?

Mr. POWER: They would not help in connection with the people we want. We want aircrew, and you cannot conscript men

to fly an aeroplane. They have to be either natural fliers, or volunteer for duty, because in no place in the world, so far as I know, have they had conscription for aircrew.

Mr. ADAMSON: I agree with that, entirely; but the young boy who leaves school, and is reaching his callable age, might go to the national selective service and say, "I am about to be called." The selective service man might say, "You had better hop around to an air force recruiting station, because you are a pretty bright-looking lad." Then he might say to the other fellow, "You had better wait until you are called up, because you are not so bright." One fellow is turned away because he may be none too bright, and the bright fellow goes into the air force.

Mr. POWER: I was not going to say exactly that, but that is about the truth of it.

Mr. ROSS (Souris): The minister has said he cannot conscript these people to fly. I am satisfied that many of the best men in the aircrew overseas have been chaps who in the early days of the war received their call, or were conscripted in Canada. But they decided they were going to join the air force.

Mr. POWER: Perhaps my hon. friend is right, in respect of many cases.

Mr. NOSEWORTHY: If the young men called up under the National Resources Mobilization Act were given some time after they were called to volunteer for air force or ground crew the minister would not have to advertise for recruits. He would not have to advertise if he were given that choice of going into the air force after they were called up for military service. He could take his pick of all he wanted.

Mr. POWER: I think when they are called up they are supposed to report to the army centre. But before they report they can come in and report to the air force.

Mr. STIRLING: And they do.

Mr. POWER: And they volunteer for air force. Many of our ground crew have been called up. But there are not so many in connection with aircrew, because they are mostly younger men. Our aircrew now are nearly all under twenty-one years of age. Originally we took them up to thirty-two years, but that class is now pretty well exhausted. We are taking them between eighteen and twenty-two.

Mr. EDWARDS: Is it possible, in respect of a young man who is anticipating a call-up probably in a year or six months, to take him on strength and give him leave to continue in his civilian occupation until such time as the air force requires him to report for duty. It has come to my attention at least on one or two occasions that it is possible for a young man to come to an air force recruiting station, be sworn on strength, taken into the force and then given indefinite leave for maybe three or four or five months, before being required to report for service, and in that way he avoids being taken into the army in the regular way.

Mr. POWER: That was the custom about a year ago. Since March, 1941, in connection with applications for enlistment as aircrew, men enlisted in the R.C.A.F. immediately upon application, even though some period might elapse before they could actually commence their training. In those days we had more than we knew what to do with. But now they might get a month or two months. A man might enlist to-day, and we would say, "Come back on July 15." They do not get more than a month.

Mr. JOHNSTON (Bow River): He is actually on strength, though, when he does enlist?

Mr. POWER: Yes, and he is paid one dollar when he is sworn in.

Mr. FRASER (Peterborough West): He is a dollar-a-year man.

Mr. JOHNSTON (Bow River): If he were discharged, and the question of pension arose, would the Minister of Pensions and National Health say he was not in the air force?

Mr. POWER: My hon. friend asked that question the other day. Immediately the applicant completed his enlistment he would become an airman and, as such, would be subject to air force law, and to the proper orders of superior air force authority. His leave of absence could therefore be terminated at any time by directing him to report for duty. During the period of leave of absence without pay, however, he would not be liable to perform any air force duties, and in consequence, in the event of his being injured or killed during that time no claim for pension would arise because the same would not be based upon an injury received arising out of the performance of an air force duty.

Mr. JOHNSTON (Bow River): My point was in connection with an enlisted man who was sent home for a month on leave, without pay—or just a dollar, as the minister indicated. He did not contract the sickness at that time, but contracted it after he was

called up again and was placed on duty under the R.C.A.F. It was then that the question of pension came up. They said, "You were not enlisted. You were not in the force at that time, and we can only count you in the force, so far as pension is concerned, from the time you were recalled." That is my point.

I say that when he came back, after being called the second time, he was actually on the force from the day he first enlisted. He contracted the illness after the second call, and his pension should begin from the time he actually enlisted.

Mr. POWER: My hon. friend is referring to the Sommerville case.

Mr. JOHNSTON (Bow River): Yes.

Mr. POWER: I am having it looked into. That is really a pension case, rather than an air force case, because, after all, once a man is discharged from the air force, his pension must be handled by the Minister of Pensions and National Health.

Mr. JOHNSTON (Bow River): I agree with the minister on that, namely, that it is really a pension case.

Mr. POWER: Yes.

Mr. JOHNSTON (Bow River): But it is also a matter of principle. If, after a man is called up the second time, an illness occurs, for purposes of pension he should be considered as having been on the force from the day he was sworn in, not from the day he received his second call-up. That is a matter of principle which should be cleared up. I am glad the minister is looking into the other case.

Mr. MacNICOL: I was going to ask a further question along the lines of one I asked a few days ago. I have just forgotten what answer the minister made with respect to the fleet air arm. We have not a fleet air arm here. But the British are recruiting in Canada, are they not? How are our young men being enlisted here and sent overseas?

Mr. POWER: My hon. friend the Minister of National Defence for Naval Services says he does not think they are. I do not know, really. There may be some who are being enlisted in the fleet air arm of the Royal Navy, but I cannot say, from my own knowledge.

Mr. MACDONALD (Kingston City): Not now.

Mr. POWER: The minister says it is not being done now.

Mr. MacNICOL: I do know about this, because just a few days ago a young friend of mine went overseas, to England. He was only nineteen years of age. He went to the fleet air arm, and it is my understanding that someone here in Canada induced him to join up, and to enter that branch of the service. Of course he may have wanted to go; but how did he get into the fleet air arm? How are they enlisting?

Mr. POWER: I do not know how to answer my hon. friend. I am trying to get all the recruits I can for the Royal Canadian Air Force. I really would not know how they are getting recruits for the fleet air arm. The Minister of National Defence for Naval Services says he does not think they are doing it. But if my hon. friend has a case in mind, then it must be done. There is nothing to stop its being done. But there is no encouragement by way of financial assistance being given by the Canadian government to people who are enlisting in the fleet air arm. That is the best answer I can give.

Mr. FRASER (Peterborough West): Early this year I had a call from two men who had joined the R.C.A.F. in January, and were told to report some time in March. They were given a card which instructed them to tell their employers that they had signed up, but to continue with their jobs. They told their employers, and they were immediately given notice that they would be through at the end of the week or at the end of the following week. They then had two months to put in before they would join the air force. I immediately took the matter up with the minister's department and these boys were called earlier, but this might happen in other cases where boys might be left out on a limb until they were taken into the force. I think these men should be warned that when they tell their employers they should watch out and let the air force know if they are fired from their jobs.

Mr. POWER: At the present time I doubt if there is more than one month from the time they actually sign on until they are called in.

Mr. FRASER (Peterborough West): In this case it was over two months.

Mr. POWER: In January we had a surplus; now we are running into a shortage, but we expect to have a surplus in June or July.

Mr. BOUCHER: Following up the matter referred to by the hon. member for Daven-

port, is it not a fact that when a man in Canada who is not subject to call under national selective service wishes to go overseas to join the fleet air arm or the ferry command he must first get a permit from the Department of Labour, and that the Department of Labour will not issue such permit unless it is concurred in by the air force?

Mr. POWER: I never heard of any such rule. It may exist, but the question has never come up. In the early days or before the war a great many young Canadians went overseas to join the R.A.F., but since the war, since they have had the opportunity of joining the R.C.A.F., very few have gone over.

Mr. BOUCHER: I was referring to men who might not be qualified for pilots' positions in the air force and who are not subject to military call.

Mr. POWER: If a man wants to join the ferry command he must be a pilot or a navigator or an observer and would have to be trained unless he was a former bush pilot.

Mr. BOUCHER: I am referring to men who have paid for their own tuition at flying schools and who might be above the age limit permitted by the R.C.A.F. I have known of one or two cases, and I wonder if this is the government policy?

Mr. TUSTIN: Is there not some establishment of the fleet air arm attached to certain stations in Canada?

Mr. POWER: Under a contract with the British admiralty we are training airmen at Kingston for the fleet air arm, but they all come from the other side. An elementary school will be opened in October; Kingston has been in operation for over a year, and there is another in Nova Scotia. These men train under the British commonwealth air training plan, but they go to the British navy. They come from Great Britain; they are not recruited in Canada, but they receive their full training here.

Mr. MacNICOL: I know of several young men who had passed the university school with the highest honours, and they were sent overseas almost immediately.

Mr. KNOWLES: Since this is the last item, perhaps the minister will tell us when we may expect answers to questions which have been asked, but which have not yet been answered.

Mr. POWER: I shall have to check *Hansard*. I shall be only too glad to ask my colleague to answer them on the opening of the house to-morrow. There are a great many questions that will have to be looked up, but we will put the answers on *Hansard*.

Mr. KNOWLES: I am particularly interested in one I asked with reference to the average rate of wages paid to civilian employees in various classifications and which appears on page 3251 of *Hansard*.

Item agreed to.

Mr. POWER: I do not want to block my own estimates, but I have a duty to perform. I made a statement on Thursday on commissioning, and the high commissioner for Great Britain wants me to correct any impression I may have left in the minds of hon. members. Therefore, I should like to read into *Hansard* a letter which he wrote me, as follows:

Dear Mr. Power:

In the course of your speech on air force commissioning in the House of Commons on the 2nd of June, you stated the Royal Air Force policy to be that an arbitrary figure of fifty per cent of graduates from training schools, namely thirty-three per cent on graduation and seventeen per cent after service in the field, were commissionable, and no more. This would mean that the R.A.F. had established 50 per cent as a rigid maximum of all pilots, observers, navigators and air bombers who could receive commissions.

That is not the case. The policy is that all members of aircrews of the above categories who qualify for commissions shall be commissioned, although the Royal Air Force view is that not more than about half of aircrew posts need to be filled by commissioned officers. It is also true that experience has shown that no more than 50 per cent qualify for commissions in practice. For this reason it was decided that some 33 per cent should be eligible for commissions on graduation, whilst a further 17 per cent should be recommended for commissions after a period of operational service. But these percentages do not exhaust the opportunities of commissioning, since the Air Ministry are always prepared to consider any number of additional recommendations on the strength of operational records. Whilst the suitability of a certain proportion of pupils for commissions can be clearly recognized at the stage of graduation from training schools, the R.A.F. feel that the test of the qualities of the others cannot really be satisfactory except in actual operations. No commanding officer of any squadron in the R.A.F. has then any limit placed upon the number of recommendations that he can make. On the contrary, he is encouraged to recommend any pilot, observer, navigator or air bomber who possesses the necessary qualities of leadership and command.

This policy was affirmed clearly during the Ottawa conference in May last year, and it is not qualified by any question of rigidity in the matter of establishment or any other consideration except the qualifications of the individual.

The Royal Canadian Air Force have adopted their own policy. They have as much right as the R.A.F. to adopt whatever policy they consider best, and the R.A.F. are cooperating fully in the implementing of that policy so far as

Canadian personnel are concerned. This is only one example of the spirit of comradeship in which our air forces are operating together against the enemy.

Mr. CASTLEDEN: That means in reality that you would not be embarrassing the Royal Air Force by granting commissions to more than fifty per cent.

Mr. POWER: Exactly.

NATIONAL DEFENCE FOR NAVAL SERVICES

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): Mr. Chairman, on the 3rd of March of this year my colleague the Minister of Finance placed on *Hansard* a table showing the estimated expenditures of the Department of National Defence for Naval Services under some thirteen main heads. I should like now to place on *Hansard* a further table showing the same figures given three months ago by the Minister of Finance, which were for the present year, and showing also the estimated expenditure for the same items for the last fiscal year. It is as follows:

Department of National Defence
Naval Service

Comparison of Estimated 1943-44 Cash Requirements with Estimated 1942-43 Expenditures for all votes combined

Objects of expenditures	Estimated expenditure 1942-1943	Estimated expenditure 1943-1944	Increase
1. Civil salaries and wages	$ 3,645,222 28	$ 6,192,054 00	$ 2,546,831 72
2. Pay and allowances	63,236,432 19	89,565,119 00	26,328,686 81
3. Travel, transportation and freight	3,382,574 74	6,978,000 00	3,595,425 26
4. Construction, purchase, repairs and operating expenses of properties—			
(a) Capital expenditure	16,490,051 37	36,579,608 00	20,089,556 63
(b) Repairs, operating expenses and rentals	1,831,417 80	6,267,182 00	4,435,764 20
5. Personnel supplies and services: food, medical and dental stores, clothing and personal equipment	10,000,812 96	22,015,072 00	12,014,259 04
6. Signal and wireless equipment, line construction, etc.	986,447 64	4,592,188 00	3,605,740 36
7. Ammunition and bombs	3,100,416 01	14,245,890 00	11,145,473 99
8. Armament, including rifles, machine guns, naval guns, etc.	3,947,684 19	42,415,548 00	38,467,863 81
9. Fuel cost of ships	4,088,267 74	25,257,798 00	21,169,530 26
10. Acquisition, construction, charter, repair and upkeep of ships	74,979,157 67	167,571,202 00	92,592,044 33
11. Naval stores: small boats, minesweeping, degaussing, anti-submarine, fire-fighting and training equipment, etc.	19,738,111 08	57,651,110 00	37,912,998 92
12. Miscellaneous stores and services: printing, stationery, laundry, office machinery, teletype rental, etc.	1,268,148 72	6,552,959 00	5,284,810 28
13. Sundries: postage, pilotage, prize funds and other costs not included in above items	1,127,524 91	3,261,237 00	2,133,712 09
Totals	$207,822,269 30	$489,144,967 00	$281,322,697 70

It is now some thirteen months since I presented the last estimates of the Department of Naval Services. Much has happened in those months. We have undertaken certain new duties; we have continued and enlarged upon some old tasks. We have had some brilliant successes; we have had some tragic losses. But on all these matters a great deal has already been said through the medium of speeches, interviews with the press and statements in the press or by radio to the Canadian public. Therefore I doubt whether I can enlighten the committee to-day by presenting any new material. I can only hope to survey events that are already for the most part well known, to bring together in what I trust will be convenient form information that in one way or another is already, I am sure, in the minds of hon. members.

The story which I have to tell, Mr. Chairman, is in the main a story of progress, progress in the size of our navy, both in ships and in man-power, and now, I have to add, woman-power as well. When we began to build up a navy some three and a half years ago we were young to the task. Except for a few officers and men we lacked experience. We have learned something in the hard school of war, and while it would be vain to say that we are beyond the range of criticism; while it would be foolish to assert that we have not made mistakes, we can say, I think, that we have performed our duties with some credit to this country, and certainly we can state that we have won the approval and the praise of many authorities on naval matters in other countries.

"Where the treasure is, there is the heart also." The treasure of a navy is its ships, and the heart of a navy is its men. I shall speak first of these precious and vital elements in our naval story. I shall then tell the committee something about the operations in which the Canadian navy has engaged itself. My remarks on these three topics must necessarily be general, but further detailed discussion can be had as the individual items of the estimates are under consideration.

Ships. When I first spoke to the house in November, 1940, I pointed out that at the outbreak of war the Canadian navy had some fifteen ships but that, even as I spoke, the number had grown to 155 ships of all classes. Each succeeding year since then has seen more ships built and commissioned than we had estimated. For instance, in the last fiscal year we planned to add about 100 ships to our strength. As a matter of fact, we added over 150. To-day the Canadian navy boasts a fleet of over 550 ships of all types.

That is a remarkable rise from the little fleet of fifteen with which we began the war. It represents a 36-fold increase.

During the last year two Tribal destroyers were completed for the Canadian government in British shipbuilding yards. Two more of the same type will shortly be completed and commissioned in the same yards; and two more steel are under construction in a Canadian shipyard.

Tribal destroyers belong to the largest and most powerful type of destroyer in the world. It has been and it is our feeling that these ships should see service as fleet destroyers rather than as escort destroyers, and we have made arrangements with the United Kingdom authorities to that end. The two Tribals already in commission, the *Iroquois* and *Athabaskan,* are serving with the British fleet, and the others as they are completed will join the first two. Thus eventually we shall have a Canadian flotilla of Tribal destroyers assigned for service with the British fleet and manned by Canadian officers and men.

I am glad to be able to report that the Royal Navy has in its turn placed four of its own escort destroyers at our disposal, and these destroyers have become part of the Canadian convoy escort service in the north Atlantic. These four destroyers have been renamed, according to our policy of naming destroyers of this type after Canadian rivers. We have given to these ships the well known names of *Ottawa, Gatineau, Kootenay* and *Saskatchewan.*

Mr. BOUCHER: You have not Carleton there?

Mr. MACDONALD (Kingston City): It is possible that before the end of the year the British navy will be able to give us two more escort destroyers.

This gift by the British navy is very highly appreciated, and these destroyers will be of the greatest service to the Canadian government in its escort work on the Atlantic.

While the figures which I have given as to the increase in the number of ships are matters of gratification to the Canadian naval service, they speak eloquently of the work that has been done by Canadian shipyards, and in the factories and foundries where the steel and the machinery and the other materials required by these shipyards are manufactured. In the years immediately before the war, shipbuilding in Canada was practically non-existent. Last year the tonnage of ships built, that is both merchant ships and warships would aggregate about one million tons, and this year that figure will be greatly exceeded. I think we can say now that Canada is becoming a naval and a maritime power.

Our facilities for the training of men have been developed to a point where we are now able to man the ships which are available to us. The task has been difficult, I am bound to say, but we have always been able to keep the manning of ships abreast of construction, so that our ships are not kept out of operational duties through lack of trained personnel.

Men. I now come, Mr. Chairman, to the question of men. We began this war with an active service personnel of 1,774 men. At the end of the last fiscal year, that is on March 31, 1942, our personnel had grown to

31,000, and it was our plan to take men into the service last year at the rate of about 1,000 a month.

Now in the case of personnel, as in the matter of ships, we have far exceeded our estimate. In the year that has passed we took in about twice as many men as we had planned to take. To-day the man-power of the Canadian navy stands at approximately 60,000.

We have doubled our size in the last fourteen months. We have increased our stature thirty-four times since the outbreak of war.

That is a rate of expansion not paralleled, I believe, in all naval history. An article in the March issue of the British magazine *Shipping* described it as an all-time record. On the list of the navies of the British commonwealth we stand second—second only to the British navy itself.

If we maintain the rate of growth which we now contemplate we shall by the end of next year reach approximately the number of men that the British navy had in pre-war days. We shall have about 90,000 men.

I am sure that if, in the early days of September, 1939, anyone in this chamber had predicted that the Canadian navy would some time in 1944 have as many men as the British navy had before the war, he would be branded as a visionary of the wildest sort. Yet his vision will soon be justified. For there is no dearth of recruits for the Canadian navy. In fact, we still have a waiting list at some of our naval volunteer reserve divisions.

The men of the Canadian navy come from every part of Canada, and a few from beyond our borders. I should like to place on *Hansard* a table showing naval enlistments by provinces, complete to the 31st of March of this year:

Enlistments from September 1, 1939, to March 31, 1943

	Officers	Ratings
Prince Edward Island...	49	1,036
Nova Scotia	534	4,741
New Brunswick	119	1,651
Quebec	1,118	7,354
Ontario	1,722	20,590
Manitoba	218	4,208
Saskatchewan	130	3,657
Alberta	164	4,436
British Columbia	983	6,905
Others (incl. U.S.A. and Newfoundland)	133	222
Total.....	5,170	54,800

Some 1,400 of our officers and men are serving with the Royal Navy in widespread parts of the world. About 20,000 are serving in Canadian ships; the others are training at shore establishments.

Training. I come now to training. The training of our naval ratings is normally undertaken in one or the other of four ways. First, at Royal Canadian Navy Volunteer Reserve divisions of which there are eighteen throughout Canada, beginning with the division at Charlottetown in the east and ending at Vancouver in the west. Second, at our naval bases and training schools, of which we have seventeen. Third, in technical schools and universities, and fourth, in our ships.

It requires about six months' training for a man to qualify for the lowest rating. It takes about fourteen months to train fully a naval artisan. Stokers, engine room artificers, electricians, radio artificers, shipwright welders, motor mechanics, coppersmiths, boilermakers—these are some of the trades which have to be known and used in a modern navy. Stewards, cooks, supply assistants, waiters, also need training. Then we need gunners, torpedo men, asdic operators, men who understand the intricacies of radio direction finding, or R. D. F. as it is commonly called. We need also men who are skilled in the art of communication, who understand wireless, and visual signalling, coding and decoding.

A modern ship of war is in itself an intricate bit of machinery, and its operation requires skill, not merely in seamanship, but in a great variety of other trades as well.

The training of officers is now done at King's College, Halifax, and at Royal Roads, B.C. After an officer has completed successfully his training there, and has spent some time at sea, he may be given further courses of training ashore at H.M.C.S. *King's* or elsewhere, depending upon the specialty for which he wishes to qualify.

Early this year a new scheme for the entry of officers in the Royal Canadian Navy was adopted. In the first years of the war we followed the principle of what is known as "direct entry"; that is to say, a man could, if he was assumed to have the proper qualifications, enter into officer rank directly from civilian life. Concurrently with this system we also followed the practice of promoting promising men from the lower deck, and from the outbreak of war to the introduction of the new system, 1,086 ratings were promoted to officer rank in this way.

In February of this year we came to the decision that there should be no more direct entries into commissioned rank except in the special branches. All persons who wish to become executive officers in the naval service must enter the service as ordinary seamen and they must take at least six months' training as ratings. About three months or a little less

perhaps must be served at sea. If at the end of that six months' time a rating is considered worthy of a commission, he is commissioned as a probationary sub-lieutenant and he takes at *King's* the course of training laid down for such officers. This method of entry is new and has not been fully tested, but it is designed to put a premium on ability and adaptability to the requirements of the service.

In recent months we have made arrangements with several Canadian universities, and we hope to make arrangements with some more, for the establishment of what we call university naval training divisions. These divisions will correspond in a general way to the Canadian officers training corps establishments of the army. Preliminary instruction will be given during the academic year, and during the summer months a two weeks' training course will be provided on each coast. Students who enrol in these courses will be on divisional strength of the volunteer reserve division which is nearest to the university. I am happy to say that we received most satisfactory cooperation from the faculties of the universities in this matter, and we have also received much helpful advice and valuable assistance from the Canadian army through the units of the C.O.T.C. at the universities.

While on the subject of personnel, I should mention the fine work of the medical branch of the Royal Canadian Navy. We now have in that branch some 300 medical officers and 132 nursing sisters. Forty of our medical officers have been loaned to the Royal Navy, and many of these are seeing service with the ships of that navy in all parts of the world.

Since the outbreak of war the health of our personnel has been good; only three per cent of the days available for work have been lost through hospitalization. This represents a loss of less than ten days per man per year, and compares very favourably with the normal loss in industry. When we consider the difficult conditions under which our men often have to live at sea, the crowded living quarters, the exposure, the mental strain under which they labour, the incidence of a sickness is a matter of considerable satisfaction.

The naval medical research unit has continued to give careful study to the problem of suitable diet for men at sea, and it has made what I think are notable improvements in dietary conditions. It has also worked out an excellent type of emergency ration for lifeboats and rafts, and its improvements in this regard have won the attention and approval of naval medical men in other countries.

The studies which our medical research unit has made in rationing and in dietary problems, generally, should prove of great benefit after the war when the problem of rehabilitating and restoring the health of the populations of the conquered countries arises. I am sure that the services of such men as Commander Best of this unit, famous throughout the world for his researches in the treatment of diabetes, and of his associates, would be of great value in the solution of post-war health and dietary problems.

Sea cadets. Under the subject of personnel I must make reference to the sea cadet movement. Of striking interest during the past year has been the great growth in the sea cadet movement in this country, and in this work the navy league of Canada has rendered enthusiastic and powerful assistance. The boys who have been trained as sea cadets provide one of the finest sources of recruits which the navy has, and we estimate that to-day more than 4,000 former sea cadets are enrolled in the Royal Canadian Navy or in the Canadian merchant navy.

When I spoke to the committee a year ago, I said that there were 2,700 sea cadets in Canada. To-day there are 61 sea cadet corps and the enrolled membership is, in round figures, 10,000. Summer camps have been established in different parts of the country, and it is hoped that the majority of the cadets will be able to attend these camps. Here they will receive training in elementary naval work, in the handling of boats, in swimming, and in discipline.

We have recently held training classes for the officers of the sea cadet corps in Halifax, in Toronto, in Victoria, and these classes were attended by 175 sea cadet officers. Apart altogether from the value of this work to the navy, I am glad to say that highly satisfactory and gratifying reports have been received from the parents of the boys and from law enforcement authorities who have watched the beneficial effects which sea cadet training has had in decreasing juvenile delinquency.

W.R.C.N.S. I pass on now to the Women's Royal Canadian Naval Service. During the past year the Canadian naval service has begun to enlist women into the Women's Royal Canadian Naval Service. These women are commonly referred to as "Wrens". We have now some 2,500 in this corps. The basic training for ratings is conducted at Galt, Ontario, at an institution made available to us through the generosity of that province. The training of Wren officers is carried on at Ottawa.

Generally speaking, the services performed by the Wrens will be domestic, administrative and clerical. I must say that those who

have joined the corps have adapted themselves with great enthusiasm and efficiency to naval life and service conditions. They are working as stewards, clerks, cooks, sail-makers, laundresses, drivers, telegraphists, stenographers, and in many other positions. Members of the corps are now to be found on duty in Halifax and Deep Brook, Nova Scotia; in Ottawa; in seven of the volunteer divisions throughout Canada; as well as on the Pacific coast.

Naval College. An event of high importance in the last year, and one that I hope will be of increasing significance in the years to come, was the opening of the Royal Canadian Naval College at Royal Roads, British Columbia, on Trafalgar day, October 21, 1942.

Some 300 Canadian boys sought entrance to the institution, but the enrolment was limited to 100 students. Fifty of these, the older cadets, are taking a one-year course; fifty more have embarked on a two-year course. They come from every part of Canada, and they have been carefully selected not only on their scholastic qualifications, but also on a physical and personality basis. After they complete their work at the college these young men will undertake further training with the Canadian Navy or with the Royal Navy.

Operations. I pass on now to the third main part of this summary, namely, the part that deals with operations. The operations of the Canadian navy during the last year have taken its ships and its men to various points on the Pacific, to areas in the north and south Atlantic, and into the waters of the Mediterranean. Some of our ships have joined with United States forces in the waters of the Aleutians, and some of them still stand on guard on our western seaboard. Seventeen of our corvettes saw service in the North African expedition. The Canadian corvettes *Ville de Quebec, Port Arthur* and *Regina* definitely sank three enemy submarines and captured their crews, and other Canadian corvettes made promising attacks on submarines in that area. But our main work as a navy has been in the north Atlantic. It has lain in the protection of trade convoys, in the guarding of merchant ships, carrying food and war supplies from the ports of this continent to the harbours of Europe.

From time to time, both before the outbreak of war and since, we have received much advice as to how our naval effort could be best directed. There were some who felt that the proper role of the Canadian navy lay in the establishment of a fleet of fast motor-boats, presumably to guard our shores against the attacks of enemy surface ships. There were and there still are others who claim that we should have concentrated our efforts, at least in part, on the manning of cruisers, and still others who feel that we should have featured the building and operation of submarines.

It is true that there were several courses open to us at the outbreak of war. We could have attempted to man great ships, if we could have gotten the ships, such as battleships and heavy cruisers. These might find work to do in far away waters, but there would be very little scope for their activities in the seas that lie between America and Europe. Or, again we might have endeavoured to organize a fleet of motor-boats carrying torpedoes, or we might have attempted to form a submarine navy. These craft, too, would have to go far away from home to find work, for there were and there are few enemy surface ships in the open Atlantic. The British navy has seen to that.

But we chose another and, I believe, a truer and more natural course. We looked at our geographical position, at our great agricultural wealth and at our industrial possibilities. We knew that Canada would send across the seas not only thousands and hundreds of thousands of fighting men, but huge quantities of food and munitions of war. We knew that enemy submarines would threaten the ships which were to carry those men and supplies from Canada to Europe. Indeed, we believed from our experience of the last war that enemy submarines would be the greatest menace that our merchant ships and our troop ships would have to face.

That view, all too unfortunately, has proved correct. By almost unanimous agreement among spokesmen for Britain, the United States and Canada, the Atlantic is our first and major battle ground; it is there that the war against Hitler can be won or lost. And so we said in the Canadian navy: let us undertake the task that lies nearest to our hand. Let us build a fleet of escort vessels that will guard the lives of Canadian service men on their way to Europe, that will protect the products of Canadian farms and Canadian factories on their long journey over the seas. That seemed to be a distinctively Canadian type of effort—a close-knit, compact effort, with most of the ships being built here, the men trained here, the work directed from here. While from time to time we have assumed other tasks, in other places, we have clung to our original design, and it is on the north Atlantic that our chief work as a navy has been done.

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Now, from the shores of this continent, over thirteen thousand vessels have sailed in convoy, carrying some eighty million tons of food and war supplies to the ports of the United Kingdom.

It must be admitted that in the early days our part in the Atlantic convoy system was small. We had at the beginning only six ships that were fit for the work. We had only a handful of men. We had to plan and to build and to train, and there is no more difficult task in all the preparation for warfare than the building up of a navy. The training of naval officers and petty officers takes time, much time. After all has been done on shore that can be done, officers and men still must have practical experience at sea. It takes time to rehabilitate shipyards and to build and equip ships. It takes time to construct ashore the facilities that are necessary to a navy—the docks, the wharves, the repair shops, the machine shops, the barracks, the training quarters for men. Bearing in mind the resources of the country in manpower, shipbuilding, ship repairing, and its possibilities as a training ground, our constant aim has been to develop a service that was properly balanced as to men, ships, training and shore facilities. Bit by bit we increased our strength and enriched our experience. From the small beginnings that I have already mentioned, we progressed step by step until last fall we were able to say that nearly one-half of the convoy escort work in the north Atlantic was being done by Canadian ships operated by Canadian officers and men.

The significance of that statement is worthy of most careful note. If the winning of the battle of the Atlantic is the first and most important of our tasks, surely it is significant that so large a share in the conduct of that battle has been entrusted to the Royal Canadian Navy. Of equal significance is the fact that on the first day of May of this year a Canadian officer was given the important post of commander in chief of the Canadian northwest Atlantic. That appointment arose out of discussions between the service forces of Britain, the United States and Canada, culminating in a conference held in Washington in March of this year. As a result of these discussions, the whole responsibility of escorting convoys between these shores and the shores of Great Britain is now divided between the navies of the United Kingdom and Canada.

Mr. HAZEN: What is the name of that officer?

Mr. MACDONALD (Kingston City): I am just coming to that. I am glad to be able to say that in selecting an officer for this important post we felt we could place our confidence in a graduate of our own Canadian naval college, in a man who has seen distinguished service with both our navy and the Royal Navy, Rear Admiral L. W. Murray, a Canadian, a Nova Scotian. He has operational control of all anti-submarine activity in the northwest Atlantic. Co-operating with him, working in the same building with him, is Air Vice-Marshal G. O. Johnson, who has been given control of all anti-submarine air activity in this area.

I am happy to say now that from the beginning the cooperation of the Royal Canadian Air Force and the Royal Canadian Navy has been close and complete. The new arrangement under which Rear Admiral Murray is made commander in chief of the Canadian northwest Atlantic, and Air Vice-Marshal Johnson is given control of the air command in that region, will mean that the resources at our command, in the way of both surface ships and airships, will continue to be utilized to the best advantage and in the closest cooperation.

I cannot pass from this topic without recognizing the assistance we have received from the United States and Royal navies. Our friends in the United States have always been glad to make available to us their ship repair and supply facilities, and sometimes their ships. Their experience and information have always been cheerfully placed at our disposal, and their air patrols over the Atlantic have been and are most welcome and helpful. The Royal Navy, as always, continues to assist our efforts. This assistance is most felt in the free use that we have been allowed to make of their unrivalled training facilities, of their plans and designs for ships and machinery and armament. We are glad to be able to offer a measure of reciprocity and the Royal Navy is now making use of some of our training facilities in this country.

The battle against the submarine ebbs and flows as the tides of the sea. We have had months when our losses of merchant ships were heavier than we expected. There have been times when our losses were lighter than we had estimated.

Hon. members will recall that in 1917 the depredations of German submarines became highly alarming. Indeed, it is clear now that there was a period of time in that year when many authorities in Great Britain feared that the war would be lost on the Atlantic. The sinking of merchant ships by German submarines had reached such proportions that many people in high places felt that if the

rate of sinking were maintained, the supply of food and munitions of war from these shores to the ports of Great Britain would dwindle and fade to such small proportions that the United Kingdom would be starved into submission. But in that year Great Britain answered the German submarine threat by introducing the convoy system. Instead of letting ships put to sea individually, Britain adopted the policy of grouping them together and sending them out with fast armed surface craft to repel submarine attacks. It is a matter of record now that after the introduction of the convoy system the losses from enemy submarine action dropped sharply.

To-day Germany is again relying on submarine warfare. She has made, within the last few months, many boasts and many threats. But so far she has not produced any new type of weapon, any novel type of submarine. She is, it is true, building stronger submarines. They are more difficult to sink. They are more heavily armed. They are better equipped. They have more bases in Europe at which they can repair, refit and refuel.

They attack now in groups, instead of singly, but beyond those things no new styles in German submarines or in German methods have yet come to our notice.

The exact number of submarines which the German navy has is known only to the Germans themselves. Undoubtedly the number is large, and their cruising range is long. We are often asked, "Where are the German submarine bases on this side of the Atlantic?" Many people think that German submarines must have some bases on this side of the ocean at which they can refuel and reprovision before starting on their homeward journey. All I can say in answer to this question is that if there are such bases on our coasts, we do not know of them. We do know, however, as I told the committee last year, that German submarines can leave their bases on the coast of Europe, make their way to the shores of Canada and the United States, operate against shipping for some time, and then return to their lairs without reprovisioning or refuelling.

Mr. GRAYDON: The minister referred to "some time". What does he mean by that, in point of actual time?

Mr. MACDONALD (Kingston City): I would say two or three weeks, depending upon how much territory they wished to cover. But I should think two or three weeks would be quite within their capacity.

Mr. ADAMSON: Two or three weeks of operations.

Mr. MACDONALD (Kingston City): Yes. In the last war German submarine bases were confined to German or Belgian territory. With the fall of France, Germany obtained bases farther to the west, and therefore nearer Canadian shores. She derived another advantage from her occupation of Norway, the low countries and France, namely that she could now establish submarine bases opening directly into the Atlantic, whereas in the last war her submarines, in order to operate against our shipping had to move out to the open sea, either through the English channel or through the North sea.

In consequence of these positional gains German submarines, even if they were only of the same type as were used in the last war, could operate much farther to the west. The result of all this was that the western Atlantic, which was practically immune from submarine attack in 1917, became in this war a very heavily infested submarine area. The fall of France was a heavy blow. In several respects it was nearly fatal to us. But in no way was it more serious than in its effect upon naval strategy. The whole Atlantic now became a submarine theatre. If the British navy, in addition to its tremendous tasks elsewhere, had to take on the added burden of protecting convoys in the waters off Canada and Newfoundland, the task would certainly have proved extremely difficult, if not indeed impossible.

It was in these months of late 1940, and in the months of 1941 that the Canadian navy, small though it was, filled the gap. In the words of Sir Percy Noble, spoken at Montreal in March of this year, "The Canadian navy sailed into the breach. The expansion of the Canadian navy solved the problem of Atlantic convoys". These are gratifying words from a man who during those difficult days, was admiral commanding the western approaches to Great Britain, and who probably knows more about convoy problems than any other living person.

It may be asked, "What is being done here and in Britain and in the United States to meet the submarine menace?" I should answer to that, in the first place, and to take events in their proper order, that the first effort of the united nations is to kill the serpent in the shell before he can be hatched. It is directed against enemy submarine bases and submarine building yards, and it takes the form of heavy air attack. The Royal Air Force, the American Air Force, and the Royal Canadian Air Force have made many such attacks, and there is no doubt that these attacks will have

their effect. But we must remember that German U-boat bases are strongly built and strongly defended. Heavy concrete cover is provided and other forms of defence are adopted, which makes the task of our air men difficult.

In the second place, we are meeting the German submarine threat by building in Britain, in the United States and in Canada, more anti-submarine vessels, more destroyers, more frigates, more corvettes. Not only are we turning out more and more ships; we are endeavouring to improve the quality of our ships, to increase their speed and to strengthen their striking power.

But it is not only on ships alone that we rely in our battle against the submarines. The aeroplane has become a most important weapon in submarine warfare. I disclose no secret when I say that the convoy which is protected by both surface craft and aircraft is in a much happier position than the convoy which is protected by one type of craft alone. If you have aircraft protecting the convoy, submarines are not nearly so likely to expose themselves by coming to the surface, because a plane in the air can spot a submarine on the surface of the water far more readily than a vessel can and the plane can, of course, speed to the attack much more readily than can surface craft.

This war has shown the value of aircraft carriers to a fleet, and we have been giving careful consideration to the possibility of establishing a Canadian fleet air arm. We have had discussions on the point with our friends in the R.C.A.F., as well as with naval authorities in Britain and the United States.

There are many factors to be taken into account, of course, and all I can say at the moment is that we are continuing to give most careful study to the whole matter, but we have not come to a definite conclusion. One of our high ranking naval officers is now abroad for the purpose of seeing at first hand the operation of carriers and of fleet air arms generally.

The Atlantic ocean is very wide and there are parts of it where air coverage is difficult to get at all times, but I can say again, as I said before, that the cooperation between the ships of the sea and the ships of the air is thorough and wholehearted.

Without disclosing a definite figure I can say, too, that both on the sea and in the air we are considerably stronger than we were last year. We have more ships, more planes, more men, more experience. Our coasts and coastal waters are more heavily defended and more ships are available for convoy escort work.

[Mr. A. L. Macdonald.]

This year the Canadian navy hopes to add some seventy fighting ships to its strength, besides a number of other ships, not of the combat type. We shall dispose of these ships to the best possible advantage. Some of them are to do transatlantic escort duty. Some of them will sweep up enemy mines, if such are sown along our coasts and shipping lanes. Others will patrol our coastal waters. The point to remember in connection with the protection of ships is that, as an English writer recently said, "The sea is one." If you have a sea lane to protect, you must protect all of it. It would be idle to mass all your protecting ships on one part of it and leave the rest of it unguarded. Naturally you put your strongest force where you expect the heaviest attacks. That is what we mean by saying that we shall dispose of our ships to the best advantage.

Last year the enemy penetrated the gulf of St. Lawrence and the lower reaches of the river and sank twenty allied ships in these waters. At that time the resources of the united nations at sea were strained to the utmost. This year a reasonable portion of our fleet is allocated to this theatre and the air protection is also stronger, so that we look on ourselves as reasonably well off in this area.

We are asked sometimes by cities or other communities whether we can guarantee that our defences are adequate, whether we can guarantee that certain localities are immune from attack. It is extremely difficult to give such guarantees. It is extremely difficult to say that under no circumstances whatever will enemy sea craft or enemy aircraft reach our shores at some point or other. Therefore, when a certain town or city or other locality asks for an assurance that nothing will ever happen to them, I find it very hard to give definite assurance.

I shall not attempt to say that we shall not have further losses at sea. Indeed, it is certain that even with our increased strength, and even if we became much stronger than we are to-day, or than we plan to be, we should still have losses. The U-boats lurking under the water, the floating or sunken mine, the enemy aircraft making a sudden thrust from the coast of Europe against our shipping lanes, the surface raider even, will continue to take their toll against our shipping.

At one time last year I made a calculation of the mileage of convoy routes which had to be protected by units of the British navy, and I estimated that 86,000 miles of sea lanes had to be guarded by that navy. When you add to that the great distances from the western coast of North America to the battle

theatres of the southwest Pacific, or even to the Aleutians, you have an immensely long line over which troop ships and merchant ships have to be protected, and you can see how difficult it is to guarantee absolute safety to any ship over these great distances.

When I add to that statement the remark that on any given day there are at least two thousand British merchant ships on the sea, not to speak of the merchant ships of the other united nations, the magnitude of the problem of protecting allied merchant shipping becomes apparent to us all.

But yet, when I look at the shipping and the submarine problem as a whole, I see no cause for alarm. Doctor Goebbels, it is true, declared a few weeks ago that the U-boats had England by the throat. There is no evidence whatever to support the statement of the eminent doctor. The fact is that in the very month of April of this year when he spoke, more merchant ships reached England from North America than in any other month this year or last year. Second, allied merchant ship losses due to submarine action in the first five months of this year were considerably less than they were in the first five months of 1942. Exactly how much less I shall not say, but I use the word "considerably" with due regard for the meaning of language. Third, we have done very well this year in sinking submarines, better than we did in the same period of last year. Fourth, there is no doubt whatever that we are now building merchant ships faster than they are being sunk. I know that this fourth answer is not a complete answer, because in some of the sinkings, unfortunately, we lose some of those excellent merchant officers and seamen who have carried on under such arduous conditions with such magnificent gallantry for nearly four years.

Therefore, while the activities of U-boats still constitute a grave problem, and while we must never for an instant relax our vigilant pursuit of them, I have no doubt as to the outcome of the struggle on the Atlantic and on other seas. I have no doubt that in time our surface ships and our air ships will triumph in that struggle.

The Canadian navy is, as to more than ninety per cent of its strength, what might be termed a civilian navy. I pay deserved tribute to our professional sailors, the nucleus on which our strength was built. Without their experience and their training the organization of the Canadian naval service to its present proportions would have been impossible. But I must at the same time render my homage to the more than fifty thousand men who have come from the ranks of the merchant service, or who have left the office, the farm, the fishing boat, the factory, the mine, the lumber camp, to join our ranks. They have quitted themselves like men and they have been strong.

Nearly one thousand men of the Royal Canadian Navy have already given their lives in this great struggle and twelve of our ships of war have been sunk. There is no sea of the world which is not hallowed as the last resting place of some of the best and bravest of our Canadian youth. They have died gallantly. They have died gloriously, and their memory will remain an inspiration to those who come after them in that service to which they gave their lives.

But they have not gone unavenged. Eight German submarines have been destroyed by Canadian ships of war. Many more have been damaged. Some more must be classed as "probably destroyed".

The heroism and the accomplishments of our men have been duly recognized. Their gallantry and devotion to duty have been rewarded by no fewer than 387 decorations and mentions in dispatches.

I have tried to give the committee in what must be rather factual and prosaic form a sketch of the Royal Canadian Navy and its work. I have only glimpsed the story. The full tale cannot be told until the veil of secrecy which necessarily surrounds so much of the navy's activities will be lifted at the conclusion of the war. He who would understand what this Canadian navy has done must himself go down to the sea in a ship. He must see for himself the hazards of convoy work, the trying weather conditions which our men have to face, whether they serve in the merchant marine or whether they fight under the white ensign. He must observe the gales, the high seas, the ice, the fog, the constant threat of the elements that must be faced, as well as the ever-present risks of war. He must talk to the men of the sea as they come in from their voyages and as they go out again, knowing that every minute of every day, for weeks on end, they run the risk of disaster and death.

He must learn the story of young Day, of Belleville, Ontario, an ordinary telegraphist aboard the Canadian ship-of-war *Otter,* who, dying on a raft in the cold of the salt winter air and water, rallied his strength to encourage his shipmates with these last inspiring words, "There'll always be an England".

He must hear sailors tell of the time when Commander Hibbard of the Canadian destroyer *Skeena* remained on the bridge of his

ship for sixty-six hours in midwinter, fighting off a bitter submarine attack on his convoy, and brought his ship safely into a United Kingdom port. For that act of enduring gallantry and for other consistently good work Commander Hibbard was rewarded with the Distinguished Service Cross.

He should listen to the story of Lieutenant Keefer, an Ottawa boy, who, when his ship was engaged in picking up survivors of a torpedoed Norwegian craft, leaped into the water to rescue a Norwegian woman and gave his own life in the endeavour to save the life of another. For his heroism he was awarded posthumously the Albert Medal and the Norwegian Medal of St. Olav, the latter being the highest award in the gift of the Norwegian government.

He ought to hear the tale of the coolness and courage of Petty Officer Bernays, of the Canadian destroyer *Assiniboine* who, in a battle with a German submarine, held to his post in the wheelhouse while flames lighted by German shells leaped around him, and while enemy bullets whistled close to him. For more than thirty minutes he stood at his wheel, receiving and executing in that time no fewer than one hundred and thirty-three helm orders and enjoying at the end the satisfaction of seeing the German submarine disappear, a broken hulk, beneath the waves, and her officers and crew captives aboard his own ship. For his superbly gallant conduct he received one of the rarest awards, the Conspicuous Gallantry Medal.

The exploits of these men and of many others like them are the stuff of which great traditions are made. These are the men who are writing indelibly the name of Canada on that great scroll which records the gallantry of the men of the sea.

Mr. Chairman, with every confidence, I put the record of the Royal Canadian Navy and the request for the moneys necessary to carry on its work before the committee and the house.

Mr. HAZEN: Mr. Chairman, the statement made by the Minister of National Defence for Naval Services about the work of his department and the activities of the Royal Canadian Navy has been a rather short one compared with those which were made by the Minister of National Defence for the Army and the Minister of National Defence for Air, but on the whole it has been an interesting and in some respects an informative statement. He spoke I think altogether for about eighty minutes.

The Canadian navy has grown greatly since the war commenced and it continues to grow.

The work of the minister and of his department has been greatly increased. Last year his estimates amounted to $258,542,713. This year they amount to $489,144,967.

In view of the development of the navy, its activities in various theatres of war, and the large expenditures involved, I expected that the minister would have made a somewhat longer statement. He painted the picture in rather broad strokes. There are many details that remain to be filled in. Many members of the committee will probably ask for more detailed information about the activities of the navy and of its administration. There are many expenditures about which we should be furnished with more detailed particulars.

Last May, when the war appropriation bill was before the house in committee, several hon. members paid tribute to the officers and men of the Royal Canadian Navy. Those tributes were well deserved. I concur in them. There is nothing of merit that I can add to what was said on that occasion.

From time to time I read in the casualty lists the names of men of the Royal Canadian Navy who died serving their king and country. Some of these men came from the constituency which I have the honour to represent, which extends for over a hundred miles along the waters of the bay of Fundy. I realize there is little if anything I can say that will assuage the feelings of the wives and children, the mothers and fathers, the sisters and brothers of these gallant men. But I know they take some comfort from the fact that their loved ones died fighting for the freedom of mankind, the preservation of our Christian civilization, and the continued existence of Canada as a free nation within the British commonwealth of nations; and I know, too, that they take pride in the fact that their kinsfolk in this tragic but glorious struggle, did not shirk their duties but played the parts of men.

It must be the firm resolve of those of us who remain that the sacrifices they made have not been made in vain, but that this war be continued at all costs and all sacrifices until Hitler and all the evils which he and his nazi party stand for are banished from this earth.

I have no sympathy with the members of this house who say that Canada is doing too much for a country of her size. How can we do too much when we fight for our existence? How can we do too much when we consider the sacrifices that each of these men and the men in our army and our air force have made? We cannot limit with any financial yardstick our contribution to this cause when we consider the contributions of those men who, dying,

have made us rarer gifts than gold. We cannot limit our monetary contribution in a cause in which they gave their lives.

There comes to my mind a statement which was made in this house about two years ago by the Right Hon. R. G. Menzies, then Prime Minister of Australia. He said, as reported in *Hansard* of 1941, at page 2632:

What does it matter if we come out into that world—

That is, the world after this war.

—bankrupt? What does it matter if we come out into that world with lower standards of material living than we have now? What does it matter if in that world the rich are not so rich? What does it matter if in the last resort the business of statesmanship in that new world becomes the business of sharing justly a new and honourable poverty? These things do not matter.

No; these things do not matter. We must keep faith with those who died in the defence of our country. We must be firmly resolved that the sacrifices they made were not and have not been made in vain.

On May 7 of last year, when the resolution to provide sums not exceeding $2,000,000,000 for the conduct of the war was before the house in committee—the amount asked for this year is $3,980,000,000—the Minister of National Defence for Naval Services informed us, as reported in *Hansard,* at page 2239, that the total amount asked for naval services for the year ending March 31, 1943, was $258,542,713. This evening before he spoke, the minister placed in our hands a table showing the estimated expenditures for 1942-43 and the estimated expenditures for 1943-44. But, sir, in the table he presented to us on May 7 of last year these items were set out in a different way; and I propose now to read into the record the manner in which he set those items out last year; for in a number of respects they are different, and perhaps quite different, although I have not had an opportunity to study the estimates he placed before us before he spoke.

The items he gave us last year were:

1. Civil salaries and wages	$ 3,768,000
2. Pay and allowances	53,195,000
3. Travel and transportation	2,585,000
4. Operating expenses of properties	1,455,000
5. Ships: acquisition by purchase, construction, charters, repairs and upkeep	80,153,000
6. Equipment division components	3,923,000
7. Purchase of new machinery and repairs to buildings and machinery	2,874,000
8. Buildings: acquisition, construction and purchase and rental of land and buildings	21,955,000
9. Stores, equipment and supplies	52,720,000
10. Armament stores	34,166,000
11. Sundries	1,743,000

On February 15, when the resolution for the supplementary war appropriation for the past fiscal year was introduced, the Minister of Finance stated that he did not think there would be any difficulty about examining the expenditures of the then fiscal year when the main appropriation bill was before the house, because that was the time, he said, when the minister gave an account of his activities over the last year. It was incidental to the passing of the new estimates, he said, that the various ministers concerned should state what had been spent and what had been done.

Now that the estimates of the Minister of National Defence for Naval Services are before the house in committee, I would ask him to tell us what has been spent and what has been done by his department during the past fiscal year. In the first place I would ask him to furnish us with more detailed particulars of the manner in which the amounts listed under the eleven headings I have quoted above were spent; and in the second place I would ask him to tell us what the increases or decreases in his estimates for the coming year are due to. I presume, in some cases if not in all, there will be increases, since the estimated expenditures for the coming year are $489,144,967, or over twice as much as last year's estimated expenditures.

The first heading in the list he furnished us with last year was civil salaries and wages, $3,768,000. This year, in the statement he furnished us with this evening, before he spoke, the amount is $3,645,222.28. I presume that must be approximately the correct amount, and the estimated expenditure for the present fiscal year he gives as $6,192,054, or an increase of $2,546,831.72.

With reference to last year's expenditure, will the minister tell us how many persons were employed and how much money was spent in salaries and wages at headquarters during the last fiscal year; how many persons were employed in each province and how much was spent in each province in salaries and wages during the last fiscal year; how many persons were employed in the United States and how much was spent there in salaries and wages; how many were employed in Great Britain and how much was spent there in salaries and wages.

On September 9, 1942, the war information board was set up by the government with the object, I believe, of informing the public, both

here and abroad, of the part Canada was playing in the war. According to a return tabled in this house on March 2 of this year, that board employed at that time about 121 persons and it had cost the country about $580,000 in a little less than six months. The supporters of the government in the house last month refused to permit the public accounts committee to investigate that expenditure. In addition to the information handed out by the war information board, each department of the government has its own publicity or propaganda department, or at any rate many of them have. Why it is necessary to have all these publicity departments or directorates of public information, and the war information bureau in addition, in view of the fact that the press has always been capable of obtaining news of the war and keeping the public informed on what is going on, is difficult for me to understand. Perhaps the minister will be able to explain it to this committee.

I would ask the minister to give the number of civilian personnel and the number of naval personnel employed in his publicity department, or in his directorate of public relations, during the past fiscal year or up to any subsequent date, and to let us know how the personnel is distributed by provinces or districts, how many are employed in Great Britain, and how many are employed in the United States.

Will the minister also furnish the committee with the names and salaries of the civilian personnel and the naval personnel employed in this branch of his department; and in addition will he give us the travelling expenses and all other expenses and costs incurred by the civilian and naval personnel in this branch of his department during the past fiscal year, in addition to their salaries and wages?

The second heading of last year's estimated expenditures is pay and allowances, $53.195,000. In the statement we are furnished with this evening that amount is greatly increased. It is $63,256,432.19. There was a considerable increase in the amount expended over the amount that it was estimated would be expended, and the amount which it is estimated will be spent this year is $89,565,119, or a further increase of $26,328,686.81.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[Mr. Hazen.]

Tuesday, June 8, 1943

The house met at three o'clock.

REPORTS OF COMMITTEES

STANDING ORDERS—CONCURRENCE IN THIRD REPORT

Mr. W. H. GOLDING (Huron-Perth) moved:

That the third report of standing committee on standing orders, presented to the house on Thursday, June 3, 1943, be concurred in.

Motion agreed to.

DEFENCE OF CANADA REGULATIONS—CONCURRENCE IN FIRST REPORT

Hon. ERNEST BERTRAND (Minister of Fisheries) presented the first report of the special committee on the defence of Canada regulations, and moved that the report be concurred in.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, I have just a word to say about this matter, one I have been thinking of for a long time. I have in mind the case of ex-mayor Houde, of Montreal.

Some time before the federal election of 1930 municipal elections were held in Montreal. In order to get information on the point, I asked taxi drivers what the result would be. I was told Mayor Houde was very popular and that he would be elected by a tremendous majority. The fact is that he was elected later on by a majority of 42,000. Some federal Liberal members—

Mr. SPEAKER: May I draw the attention of the hon. member to the report of the special committee. It is as follows:

The special committee on the defence of Canada regulations begs leave to present the following as its first report:

Your committee recommends (1) that it be given leave to sit while the house is sitting and (2) that from day to day stenographic reports of the proceedings be taken by the official reporters, and that seventeen copies thereof be transcribed for the confidential use of the committee.

Any discussion upon this report must necessarily be upon the report itself.

Mr. POULIOT: Yes. What I wish to say, as I am not a member of the committee, is that the part of the evidence referring to Mr. Houde should be made public. I should know what it is about. If hon. members are not informed—

Some hon. MEMBERS: Order.

Mr. POULIOT: I recognize that you, sir, are the only one to call me to order; when you

do I am ready to submit to your ruling. You know the respect I have for you, sir. I am sorry I cannot be so lavish in the conveying of my respects to others.

Here is the case of a man interned by virtue of the defence of Canada regulations. The committee meets to make suggestions. The committee is a committee of the house. I am a member of the house but I am not a member of the committee. I have suggestions to make. Is it not possible for me to make a few suggestions when the first report of this committee comes before us? It is not my intention to divulge anything that should be kept secret; it is not my intention to say anything that has not been told before to Liberal members. I desire to make some suggestions, which the committee may accept or throw in the waste-paper basket as they see fit. I consider it my duty to make these suggestions. Moreover, this is a debatable matter and it is rather hard to discuss only the way the transcription of notes will be made and so on.

When the first report of this committee comes before us for adoption we are entitled to make certain suggestions to the committee which, as I say, may be accepted or not accepted by the members of this committee. I say that most respectfully. If you allow me to continue I will say that at the time Mr. Houde was running for mayor in Montreal the member for Témiscouata intervened with the Liberal authorities so that the Liberal members did not interfere in the Montreal elections. Mr. Houde was most thankful to the Liberal members for that. When the 1930 election came along the member for Témiscouata approached him and asked him if he would take part in the election although he was then the leader of the opposition in Quebec. He agreed to that. He did not take any part in the dominion election and although he was then mayor of Montreal and leader of the Quebec Conservative opposition, he did not preside at Mr. Bennett's meeting at Maisonneuve. The Liberal party should be most grateful for what Mr. Houde has done and because of the way he received Their Majesties, the King and Queen, when they came to Montreal in 1939.

Mr. J. W. NOSEWORTHY (York South): Mr. Speaker, I should like to speak to this motion before it carries and I hope that what I have to say is in order. I should like to call the attention of the house, first, to the fact that this committee was set up on February 22; that the first meeting of the committee was called on March 26; that the second meeting was not called until June 8 after questions had been twice raised on the floor of the house and a question placed on the order paper. In my opinion the obvious purpose for the setting up of this committee was the study or the review of the application of the defence of Canada regulations. Apparently that was the purpose the Minister of Justice (Mr. St. Laurent) had in mind when he moved the resolution for the setting up of the committee. During that debate an amendment was introduced which was carried by the house. This morning the committee decided that it will deal first with the subject matter of that amendment.

Mr. SPEAKER: I presume the hon. member proposes to discuss what happened in the committee this morning? That is not in order.

Mr. NOSEWORTHY: I simply want to state publicly in the house that in my opinion the first matter which should come before the committee—

Mr. SPEAKER: The hon. member is proposing to discuss what the committee should discuss; that is a matter that should be discussed before the committee, not before the house.

Mr. COLDWELL: Mr. Speaker, I think the hon. member is discussing the terms of reference by this house to the committee; therefore I take it he is at liberty to say what in his opinion ought to be considered by the committee. The committee has asked leave to sit while the house is sitting; consequently some valid reason should be given to this house why that privilege should be granted. Therefore the matters that are to be come before the committee are relevant to the discussion of the request of the committee that it be allowed to sit while the house is sitting. I suggest that the hon. member is not discussing what took place before the committee, and he should be entitled to discuss what he believes to be the matters which should be considered by that committee.

Mr. SPEAKER: I have listened carefully to what the hon. member for Rosetown-Biggar has said, but he will realize that we are now dealing with a report from a committee. To discuss the terms of reference as to what should be discussed before that committee is certainly not in order on the motion for adoption of the report, and I so hold.

Mr. MacINNIS: On a point of order. May I draw your attention, sir, to the fact that what we are discussing is exactly what was before that committee this morning.

Mr. MAYBANK: Mr. Speaker—

Mr. SPEAKER: The hon. gentleman is rising to the point of order that has been raised by the hon. member for Rosetown-Biggar?

Mr. MacINNIS: May I proceed?

Mr. SPEAKER: The hon. gentleman is speaking to the point of order?

Mr. MacINNIS: I was just going to draw to Your Honour's attention the fact that the motion now before the house covers what took place in the committee this morning. If that cannot be discussed, surely there is no sense in bringing this motion before the house.

Mr. MAYBANK: Mr. Speaker, I do not know whether the hon. gentleman sat down because I am raising a point of order, or because he had concluded his remarks. The point of order I wish to raise is that the ruling you have given is no longer debatable. If that is what the hon. member is debating, then he has no right to do that. If the matter raised by the hon. member for York South (Mr. Noseworthy) is still open for discussion, then I crave leave to speak. On the other hand, if it has been disposed of by your ruling, I am equally content. But if it has been disposed of, I submit that the hon. member for Vancouver East (Mr. MacInnis) may not debate the matter further, nor may the hon. member for Rosetown-Biggar (Mr. Coldwell). If we are to have a free-for-all, then I want to get in on it.

Mr. SPEAKER: When the hon. member for Témiscouata was speaking I raised the point of order that he was speaking to something that was not before the committee. The hon. member for York South referred to what he thought should be the terms of reference, and, if I understood him correctly, he attempted to discuss the proceedings which had taken place before the committee this morning. The committee is the proper place to discuss what the hon. member has been discussing. We are now dealing only with the question whether the report asking for leave to sit, and also with regard to a stenographic report, should be adopted. The discussion must be confined solely to that.

Mr. NOSEWORTHY: Am I in order—

Mr. SPEAKER: The hon. member has spoken already.

Mr. COLDWELL: May I draw to Your Honour's attention the fact that you interrupted the hon. member during the course of his remarks, and he sat down because you rose.

[Mr. Maybank.]

Mr. SPEAKER: The hon. gentleman was rising before to a point of order?

Mr. COLDWELL: I was rising to a point of order.

Mr. SPEAKER: Then the hon. member has the right to speak.

Mr. NOSEWORTHY: I want to ask you, sir, if it is in order for me to suggest what in my opinion should come before that committee when the committee is asking for the privilege of sitting while the house is in session.

Mr. SPEAKER: I have ruled already that the hon. gentleman cannot do that. As I have said twice, what he is entitled to do is to bring these matters before the committee. After they have come before the committee they can then be discussed in the regular way when the report comes before the house.

Mr. C. E. JOHNSTON (Bow River): Mr. Speaker, the chairman of the committee has moved that the committee ask leave of the house to sit while the house is in session. May I inquire whether it would be in order for the chairman of the committee to explain to the house why they want this leave to sit? I am not a member of that committee, and the member of our party who is on the committee is sick in bed and has to stay there on the doctor's orders. As a member of this house I should like to know why the committee is asking leave to sit while the house is sitting.

Mr. SPEAKER: The hon. member has made a request to the chairman of the committee, but I cannot enter into consultations with regard to that which the chairman of the committee may explain as to what happens in a committee or the procedure to be adopted.

Mr. KNOWLES: On a question of privilege, Mr. Speaker, as a member of this house may I ask whether it is fair that along with other members I should be asked to vote on a motion to empower the committee to sit while the house is sitting without our first being informed as to what the committee intends to deal with, particularly when some question has been raised as to the order of the agenda agreed upon in the committee?

Mr. SPEAKER: The hon. member is referring again to the proceedings before the committee. His remarks should be addressed to the committee.

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Speaker, I

agree with the suggestions expressed a short while ago by the hon. member for Témiscouata (Mr. Pouliot) concerning the appeal for release from internment which was submitted by Mr. Camillien Houde, former mayor of Montreal. I should like to congratulate him on the recommendations which he suggested to the committee on the defence of Canada regulations, and I would ask the hon. Minister of Justice (Mr. St. Laurent) to make public the inquiry and the findings of the advisory board regarding this appeal.

Several hon. MEMBERS: Order!

Mr. SPEAKER: Order. I am informed that the hon. member is expressing approval of what the hon. member for Témiscouata said with regard to Mr. Houde. I have already stated that that is not in order, and I objected when the hon. member was speaking along the same lines.

Motion agreed to.

CANADIAN ARMED FORCES

ORDER IN COUNCIL WITH RESPECT TO PARTICIPATION IN POLITICAL MATTERS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I wish to table P.C. 3205, of May 31, 1943, an order in council defining the conditions under which members of the armed forces may participate in political matters. As this order has reference to members of parliament and will be of interest to them I believe it should be tabled forthwith.

[*Later:*]

On the orders of the day:

Hon. R. B. HANSON (York-Sunbury): I desire to address a question to the Prime Minister and to make a suggestion to him and to the three ministers representing the armed services. The question arises out of the order in council which has just been tabled, which is P.C. 3205, dated May 31. The recital in the order in council indicates that it is desirable to have uniformity of policy in respect of participation in political activities by members of the armed forces, and that would seem to indicate that there had not been uniformity in the past. The specific suggestion I have to make to the Prime Minister and to the three ministers is this, that there is a limitation of one month for a candidate preceding an election for the dominion or provincial house, or a by-election, and I suggest that this is not long enough. In the second place I suggest that the limitation of one month allowed to members of the armed forces to attend parliament or the legislature in a given year is not sufficient. I hope this will be reviewed.

NATIONAL DEFENCE

LOWER ST. LAWRENCE REGION—APPOINTMENT OF DEFENCE COORDINATION OFFICER

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the ministers of national defence having made their respective statements to the house on defence matters generally, this would appear to be an appropriate moment for me to make a statement with respect to measures which have been adopted, in cooperation with civilian authorities, in the organization of the defences of the lower St. Lawrence region, with a view more particularly to countering expected submarine activities in that area.

These measures include the appointment of a defence coordination officer to coordinate civilian defence efforts and provide the necessary liaison with the service forces in the region.

Upon the advice of the chiefs of staff, Vice-Admiral Percy Nelles, Air Marshal Lloyd S. Breadner, and Lieutenant-General Kenneth Stuart, the government has appointed Squadron Leader J. P. J. Desloges, R.C.A.F., as defence coordination officer in the Gaspe and lower St. Lawrence.

The creation of this new position and the appointment to it of Squadron Leader Desloges complete an extensive and highly integrated organization of all civilian and service defence facilities of this region. The service-civilian organization will be operative against any type of enemy action, but it has been designed particularly with a view to providing the most powerful possible countermeasures to German U-boat activities which are to be expected in the waters of the river and gulf this season.

Squadron Leader Desloges' duties will be to supervise and coordinate the work of the civilian organizations which will operate in intimate cooperation with the navy, army, and air force, and to provide liaison between these civilian organizations and the armed forces. The civilian organizations are the Quebec civilian protection committee (A.R.P.), the Royal Canadian Mounted Police, the Quebec provincial police, and the aircraft detection corps. Partly in the civilian and partly in the service field, the reserve army also has an important role to play in the plan.

Specialized instruction in submarine detection and aircraft identification is being given

to the residents of every town, village and hamlet of the Gaspe and lower St. Lawrence region, and also to all persons in the rural districts, including remotely located farmers, fishermen and lumbermen. Four mobile instruction units are already at work and to date more than thirty community meetings have been held. These meetings, which are for the purpose of forming local civilian defence organizations and for hearing details of the plan, have almost all been called by the municipal authorities themselves. In nearly every instance, they have been presided over by the parish priest or the mayor. Speakers provided by the civilian protection committee, the aircraft detection corps, the local reserve army units, and by the other defence forces, have addressed these meetings, describing how each organization and service fits into the plan.

Briefly, the already smoothly working aircraft detection corps is being extended and trained to function equally well as a submarine detection corps. The aircraft detection corps, along with units of the Quebec civilian protection committee, will provide the means through which all citizens can render invaluable service. It need be no secret that members of the aircraft detection corps have already made valuable contributions in the battle against the U-boats, particularly off our Atlantic coasts, during the winter months.

At the present time members of the aircraft detection corps in the Gaspe and lower St. Lawrence region are turning in more than 500 reports of all kinds a week. Most of these reports have, of course, referred to the sighting of our own planes. The story of how members of the aircraft detection corps have facilitated the rescue of lost airmen is already well known.

This aircraft detection work has given a large organization excellent training and practice in handling reports swiftly. When a submarine is sighted this training, and the channels of communication already established, will enable a clear-cut report, devoid of the confusion of undue excitement, to reach operational units of the navy, army and air force in the shortest possible time.

To get action, any resident of the region who sights a submarine, or any aircraft detection corps observer who sights either an aircraft or a submarine, has only to go to the nearest telephone and ask the operator for "Aircraft Detection Corps". The operator will instantly clear all lines to a reporting centre connected with the operational units so that the persons reporting may give their messages directly to the service personnel who are on duty at the reporting centre twenty-four hours a day. The reporting centre passes the information by direct telephone to the operational units of the defence services concerned where immediate action is taken in accordance with pre-arranged plans for dealing with the enemy.

A point which I wish to emphasize is that the report goes from the reporting centre directly to operational units which not only have full authority but the duty of taking instant action. Every officer knows exactly what has to be done and knows that it is his job to get it done without waiting for instructions from any higher authority. Furthermore, among the services plans have been so fully worked out that combined operations by two or more of the services occur automatically without waiting for further instructions from higher authority.

Thus, the moment a report is received at an operational station, planes of the air force that are already in the air on anti-submarine patrol are directed by radio to the spot where the U-boat was sighted. Ships of the navy already on patrol in the same area are also directed by radio to the location. If the scene is one in which shore guns of the army can be effective, the appropriate battery is immediately notified and has full authority to go into instant action. Meanwhile other planes at aerodromes in the district and additional naval vessels at local harbours are in constant readiness.

After action orders have been given, or possibly simultaneously with them, reports of course go to superior authority. These are not only for the information of such authority but are also to enable senior officers to order into action, if they deem it necessary, any additional forces from neighbouring or perhaps distant districts which they think might add to the success of the operations, but let me again make it clear, in view of misconceptions on the part of some of the public last year, that a message does not go all the way to headquarters in Nova Scotia and orders come all the way back again before counter-action against the enemy is initiated.

In certain remote areas there are as yet no telephone lines. In these cases means are available for getting the messages through by telegraph. If neither telephone nor telegraph lines exist, radio communication is available. All operators, whether telephone, telegraph or radio, are already fully instructed in the means of getting messages through rapidly. An observer who spots a submarine in regions not served by phone can get his message through by getting it to any telegraph or radio operator. A further detail worth mentioning is that all three means of com-

munication will be available for emergency messages of this kind twenty-four hours a day. In districts where the rural telephone system, for example, has in the past closed down during the night, special arrangements through the cooperation of all concerned have been made for operators to answer at any hour all incoming calls reporting aircraft movements or enemy activity.

It has been mentioned that the reserve army, the Royal Canadian Mounted Police, the Quebec provincial police, and the Quebec civilian protection committee, all have important roles in the over-all plan. The job of the reserve army is a dual one. All its members in the Gaspé and lower St. Lawrence region have been made ex officio members of the aircraft detection corps organization. In this capacity they will function along with all other civilians as submarine and aircraft spotters. If, however, local defensive action is required, the reserve army units are equipped and trained to defend their communities and put up effective resistance pending the arrival of additional military forces or assistance from the naval or air services.

The Royal Canadian Mounted Police and the Quebec provincial police will maintain a vigilant watch for possible enemy agents and saboteurs. They will be assisted by the reserve and active army units located at isolated points along the coast and by information furnished by members of the civilian defence organizations.

I should like to point out that bringing thousands of civilians into our defensive system in this region implies no weakening or relaxing of the defensive facilities already provided by the armed services. On the contrary, naval, land, and air defences undertaken by the active service forces have all been considerably strengthened during the winter months. What has happened in bringing civilian organizations into active participation to a much greater degree than formerly, is that the armed forces and police authorities are being provided with thousands of additional eyes and ears—and these extra eyes and ears are being given technical instructions to make them extremely useful. The navy, army, air force, and police will maintain their patrols as usual, but all four will now have the advantage of the additional help provided by all residents of the region.

Along with the community meetings which are being held in the Gaspe and lower St. Lawrence region by the mobile instruction units (these units, by the way, will use boat and plane if necessary to get to places not served by roads), the system of instruction of the civilian population includes the use of pamphlets and posters and the cooperation of press and radio, The aircraft detection corps and the Quebec civilian protection committee are jointly responsible for the educational programme. This programme is planned to include aircraft detection corps exercises. In these exercises the residents of the various communities would have an opportunity to test their skill in aircraft recognition and their efficiency in making concise, clear reports. Other details which will be taken care of are educational work to make the "dim-out" in this region still more effective, and the civilian protection committee will explain to the citizens what this precautionary measure does and why it is necessary.

Another educational campaign that will be intensified is discouragement of careless talking about ship movements and military installations. The purpose of this, of course, is to keep the enemy from gaining any information useful to him.

The new defence coordination officer, Squadron Leader Desloges, whose headquarters will be in the Gaspe area, has not only had extensive experience in combat in this war, but is bilingual and has a personality which should make cooperation through him between all the participating organizations an easy matter.

Squadron Leader Desloges was a member of the Royal Canadian Mounted Police prior to his appointment to a commission in the R.C.A.F. in October, 1937. He was one of the early Canadian pilots to participate in the battle of Britain. He was wounded, losing the sight of an eye, in August, 1940, thus being eliminated from further front-line combat duty. As the result of a series of lectures which he gave, after returning to Canada he became widely known throughout the province of Quebec. Subsequently he was appointed to the command of an air gunners' ground training school.

Another prominent personality in the plan is Marcel Gaboury, K.C., who is not only commissioner of the Quebec provincial police, but also head of the Quebec civilian protection committee, both of which organizations are components of the new defence plan. Commissioner Gaboury will supervise the educational campaign sponsored by the Quebec civilian protection committee and will be assisted by the public relations officers of the three services.

The services feel that this fine cooperation by civilians will enhance the value of the coordinated defence facilities which they had already set up jointly. I need hardly say that I thoroughly agree with them. We have here

an ideal example of civilians and service personnel working in complete cooperation and coordination in the defence of our nation.

Mr. D. K. HAZEN (St. John-Albert): If I am in order I would ask the Prime Minister if any attention has been given to the establishment of a somewhat similar organization in that part of the province of Nova Scotia and of the province of New Brunswick which fronts on the waters of the bay of Fundy. There have been submarines in the waters of the bay of Fundy, and there is no reason to suppose that there will not be submarines there again.

Mr. MACKENZIE KING: I am not in a position to give my hon. friend any exact details, but I may find it convenient to answer his question later.

FOOD CONFERENCE

REQUEST FOR STATEMENT AS TO DELIBERATIONS AND DECISIONS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I have two questions I desire to direct to the Prime Minister. May I ask the Prime Minister if he is yet in a position to make, in accordance with his previous undertaking, a full statement to the house upon the deliberations and decisions reached at the united nations food conference recently held at Hot Springs, Virginia?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I hope to be able before the end of the week to lay on the table a report of the committee and I shall ask the house at that time to permit the report to be printed and distributed to members as was done in the case of various proposals for exchange stabilization which were earlier presented to the house. In tabling the report I shall make a brief general statement to the house on the work of the conference and the programme for future action.

LEGATIONS

PRESS REPORT AS TO REPRESENTATION OF SWEDEN IN CANADA

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I have another question to ask the Prime Minister. It arises out of a news item in the Ottawa *Journal* of yesterday, which carries a dispatch from Stockholm, the significant part of which reads:

Increase of Sweden's consular and legation representation abroad, especially in Canada and South America, is contemplated in plans for the expansion of Sweden's foreign service.

Will the Prime Minister inform the house whether or not negotiations have been entered into between the governments of Canada and Sweden along the lines indicated in the dispatch in question, and, if so, when such negotiations were commenced and how far they have progressed?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Perhaps my hon. friend will allow the question to stand as a notice and I shall give a reply later.

Mr. GRAYDON: I sent my hon. friend a notice of the question but perhaps he has not received it.

Mr. MACKENZIE KING: I am sorry; I have not.

LABOUR CONDITIONS

CANADIAN MARCONI COMPANY—ORDER FOR REINSTATEMENT OF JACQUES ROULEAU

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): I desire to direct a question to the Minister of Labour. Did the Minister of Labour in April, 1943, order the Canadian Marconi Company of Montreal to reinstate Jacques Rouleau? If so, has the Canadian Marconi company obeyed the order? What measure has the government taken to see that the order of the Minister of Labour is obeyed?

Some hon. MEMBERS: Order.

MEAT

SAUSAGES AND HAMBURGER—RATION REGULATIONS

On the orders of the day:

Mr. M. J. COLDWELL (Rosetown-Biggar): May I direct a question to the Minister of Finance? Yesterday I drew his attention to a radio report regarding the rationing of meat. To-day on page 16 of the Montreal *Gazette* there is a long article which says that stores that handle sausages are confronted with loss of good edible food, since fresh sausages are perishable and no longer saleable after twenty-four hours, and the result is positive waste. The situation, the article states, is intolerable in the face of the request that all citizens use less meat. A telegram was sent to Mr. Donald Gordon with reference to the matter. The minister said yesterday that he would look into it. In view of the apparent urgency of it,

and the desirability of preventing a waste of foodstuffs, can he give a statement to the house?

Hon. J. L. ILSLEY (Minister of Finance): I happened to read the article in the *Gazette* to which the hon. member has referred. I have not had time to take it up with the board, but if the house thinks fit I can make a report to the house on the question. It is, however, a board matter.

Mr. COLDWELL: What about the question I asked yesterday? It seems to me that though it is a board matter the minister is responsible to the House of Commons.

Mr. ILSLEY: I agree with that, but my experience has been that the board deal with these things with great promptness. I have not had time to ask them, but I am sure they have been giving anxious consideration to these representations, which apparently are coming in to them from various quarters.

DAIRYING INDUSTRY

EFFECT OF RATIONING UPON THE PRODUCTION OF WHEY BUTTER BY CHEESE FACTORIES

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): On May 11 I asked the Minister of Finance a question in regard to whey butter. I wished to know whether coupons would be necessary. On May 13 the minister said that the wartime prices and trade board were going into the matter. Can the minister tell the house whether they have decided what they are going to do, and whether coupons will be necessary?

Hon. J. L. ILSLEY (Minister of Finance): I cannot say. I took that matter up with them at once, however, and received an answer which I cannot repeat at the moment, but they were certainly giving attention to the subject. I will give information to my hon. friend, and if it is of general interest I will state it in the house.

Mr. FRASER (Peterborough West): I asked the question because the Minister of Finance a moment ago said to a member sitting to my left that the wartime prices and trade board treated every matter promptly. I was wondering if they would treat this question with the same promptitude.

FUEL

CONDITIONS UNDER NATIONAL EMERGENCY

On the orders of the day:

Mr. T. L. CHURCH (Broadview): May I ask the government a question on this the eighty-fourth day of the session? First, what is being done about the coal situation, and, second, what is the status of the housing situation?

Hon. HUMPHREY MITCHELL (Minister of Labour): I must have anticipated my hon. friend for I have here a statement with regard to a question asked on Friday last, June 4, by the member for Macleod (Mr. Hansell). The hon. member wanted to know whether I would give an explanation to show how the coal emergency has been cared for in the past two weeks and how the situation stands at the present time. At that time I promised to make a statement and with your permission, Mr. Speaker, I should like to make the following report:

Following the passing of P.C. 4092 on May 17, copy of the order was sent to every coal mine, and operators were instructed to submit amended demands for labour to our local offices, these demands to be based on the maximum possible production and to include additional staff for development work and additional shifts.

The coal emergency was publicized by newspaper advertisement, through the press and by radio. All local employment offices were directed by wire to dispatch miners who registered at their offices to the coal mines in which they had last worked, pending receipt of full and detailed instructions. These instructions have since been issued and provide for such controls as are necessary, in order that the men who register under the compulsory order may be directed to the mines most urgently requiring help.

A special staff is being arranged for through the civil service commission to give direct supervision to the movement.

The national registration of August, 1940, is being reviewed and particulars taken of all persons registered who had previous coal mining experience. Particulars of some 31,000 miners have been supplied to the employment service offices. These will be checked with the company payrolls and the information used as a check against the registrations.

On May 1 there were 2,651 vacancies registered with our employment offices; from May 1 to 31, 1,019 workers have been placed in the mines, and as at Saturday last the vacancies, including the additional demands referred to, totalled 3,146. This is broken down in the coal mining areas as follows:

	May 1 Vacancies	May 1-31 Placements	May 31 Vacancies
Pacific	559	340	219
Prairies	753	257	992
Maritimes ...	1,339	422	1,935
	2,651	1,019	3,146

Mr. CLARENCE GILLIS (Cape Breton South): May I inquire whether the government are aware that within the past few weeks, since the issuing of the emergency fuel order, there have been two major disasters in Nova Scotia, one in the Waterford district, affecting approximately 1,200 men, and the other, in the same district, consequent upon fire and flood, which displaced another 250 men? There is really a surplus now in Nova Scotia and I should like to know whether the minister is taking the necessary steps to see that the men so displaced shall be fully utilized before any men are forced from other industries by the war emergency order.

Mr. MITCHELL: I have knowledge of the disasters to which my hon. friend refers. It is hoped that the shut-down will not be too prolonged. My hon. friend can rest assured that we shall use common sense in the transfer of miners working in other industries back to the mines. I think we can be relied upon to do that.

WAR WORKERS

ORGANIZATION AND FINANCING OF RECREATIONAL PROJECTS

On the orders of the day:

Mr. A. W. ROEBUCK (Trinity): I would like to ask the Minister of Labour what progress has been made in the organization and financing of the programme of recreation for war workers. This is an enterprise designed to provide entertainment, exercise and recreation for war workers, and I understand that a community conference was held in Toronto not long ago at which plans were laid in this connection. This conference was attended by community organizations of Toronto, representatives of the provincial government and representatives of the Department of Labour. I understand that the Department of Labour gave certain assurances that contributions and help would be given to this programme, and with that understanding the citizens of Toronto have carried on. I am now told that they are in an embarrassing position because the work is being proceeded with under private subscription by certain individuals and cannot be long continued on this basis. I would like to know what progress is being made towards carrying out the understanding and putting this excellent work on its feet.

Hon. HUMPHREY MITCHELL (Minister of Labour): What my hon. friend says is true; conferences were held in the cities of Toronto, Hamilton, London, Windsor and Brantford for the purpose of organizing recreational facilities. On April 9 representatives of the established community councils on recreation, labour organizations, churches, universities and national organizations directly interested in recreation conferred with officials of the Department of Labour. Representatives of the governments of the provinces of Ontario and Quebec also attended the conference.

This conference asked for leadership in recreational plans, stressing the need for additional personnel to provide leadership to and coordination of efforts already made. Representatives stated that the existing physical facilities should be fully utilized but the required additional workers and publicity should be paid for by funds provided by the federal and provincial governments, industry and the workers, according to some satisfactory agreement.

A full statement of the conference was submitted to the national selective service advisory board. This board advised that a recommendation be sent to his excellency in council that, under the authority of the War Measures Act and subject to the approval of the governor general in council, the Minister of Labour might enter into agreements with provinces or municipalities to provide recreational facilities for war workers; and further, that an immediate initial expenditure of $40,000 be appropriated for this purpose. This recommendation is now before council.

An approach will be made to the provinces and other parties concerned to negotiate agreements. A national officer for recreation to promote the work will be appointed. It should be pointed out that in the past the development of recreational projects has been the concern of community groups and organizations, and of management. Government participation in direction and control is a new venture and one that requires careful consideration. There is little precedence to help direct the planning. So far as possible essential needs should be met and if war conditions have imposed too heavy a burden upon the voluntary community organizations, every consideration will be given to proposals placed before the government.

DEFENCE OF CANADA REGULATIONS

QUESTION RELATING TO THE PUBLICATION OF THE REPORT PRESENTED BY THE ADVISORY BOARD ON THE APPEAL OF MR. CAMILIEN HOUDE

On the orders of the day:

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Chairman, may I put a question to the hon. Minister of

Justice (Mr. St. Laurent)? Will the hon. minister make public the report of the inquiry, held on May 28 last, concerning the appeal for release from internment submitted by Mr. Camillien Houde, and if in the affirmative, when will he do so?

Hon. L. S. ST. LAURENT (Minister of Justice): The answer to question No. 1 is no. Question No. 2 is answered under question No. 1.

PENSIONS

REQUEST OF UNITED CHURCH OF CANADA FOR INCREASED PAYMENTS TO THE AGED AND THE BLIND

On the orders of the day:

Mr. S. H. KNOWLES (Winnipeg North Centre): I should like to direct a question either to the Prime Minister or to the Minister of Finance. Has the government received a communication from the Manitoba conference of the United Church of Canada, which met in Winnipeg last week, asking that there be an increase in the amount paid to our old age and blind pensioners? If so, what reply has been given to this communication?

Hon. J. L. ILSLEY (Minister of Finance): I am not aware of any communication of that kind having been received.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say, supplementing the reply of my colleague, that I am not sure such a communication has not been received; I am inclined to think that it has. The reply that has gone forward or that would have gone forward would be that the matter is under consideration.

Mr. COLDWELL: And has been since 1926.

PRIVILEGE—MR. POULIOT

NEWSPAPER ARTICLE APPEARING IN "LE CANADA" OF JUNE 5

On the orders of the day:

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata) (Translation): Mr. Speaker, it has been drawn to my attention that *Le Canada,* in its issue of Saturday, June 5, published the same fallacious remarks found in *Le Soleil* of the same date. My reply to *Le Soleil,* as recorded in yesterday's *Hansard,* applies *mutatis mutandis* to *Le Canada.*

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Monday, June 7, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE FOR NAVAL SERVICES

1. Civil salaries and wages, $6,192,054.

Mr. HAZEN: Under the second heading, pay and allowances, which I was discussing last evening, I want to draw the attention of the minister to the conditions under which petty officers and men of the Canadian navy who are stationed in Newfoundland have to live. I am not speaking from personal knowledge, but I believe the information that has been furnished me is correct. I am informed that there are several hundred Canadian sailors stationed in Newfoundland. When they go ashore they are given a living allowance of $1.75 per day, out of which they have to pay for their board and lodgings. Living quarters are not obtainable at reasonable prices in Newfoundland; in fact it is very difficult to obtain them at all. If a vacancy does occur the prices quoted for a room are from $60 to $75 per month. One vacancy in a rooming house was available at $6 per week, but the room was poorly furnished; there were three beds in it which were already occupied by five sailors, and the only available accommodation was space in one of the double beds. As a consequence of the lack of rooming accommodation I am informed that our sailors are sleeping in sheds, trucks, coaches, attics or wherever else they can find accommodation. The sanitary conditions these men have to put up with are, I am informed, deplorable. In fact, in many cases there are practically no sanitary conditions available. The men are obliged to eat either in the Y.M.C.A. or in what are described to me as dumps and dives. They pay from sixty to seventy-five cents per meal. The high cost of living can be readily understood, since there are duties on foods entering Newfoundland, there is no price control and there is great inflation. The cost of living, my informant told me, was higher than in any country in which he had ever travelled.

It is quite impossible for our men to live properly under these conditions on $1.75 a day. The United States government provides in Newfoundland suitable barracks for the accommodation of its sailors. Our government has failed, I understand, up to the present time, to provide similar accommodation. My informant stated that the conditions were damnable, and that it was a disgrace to our government and country that such conditions should exist. I ask the minister if he is familiar with the situation, and if steps are being taken to rectify it.

There is another matter to which I should like to refer. According to figures tabled in the house on March 19 last the total number of male persons serving in the naval service, and stationed in Canada, was given as 39,820, as of April 1, 1943. The number serving in each province was given as follows:

Prince Edward Island	173
Nova Scotia	13,346
New Brunswick	137
Ontario	13,775
Manitoba	530
Saskatchewan	475
Alberta	749
British Columbia	7,161

The figure of 137 given for New Brunswick was given in error; it should have been 420. Then, serving in Canada, but not at present allocated, there were 949. It will be noticed that there were 13,346 men stationed in Nova Scotia at that time. This number will be greatly augmented when the training centre at Deep Brook, Annapolis county, Nova Scotia, is completed at a cost of $12,000,000.

New Brunswick adjoins Nova Scotia. It is bounded on three sides by the sea. It has a great marine tradition, and it has one of the two Canadian Atlantic ports that are open throughout the year. In that province there are stationed only 420 naval men. Nova Scotia has been exceptionally well looked after in the establishment of extensive training centres, which require large staffs, apart altogether from the operational naval personnel at the port of Halifax, and now perhaps at the port of Sydney, New Brunswick has been neglected. There are three natives of Nova Scotia in the dominion cabinet, namely, the Minister of National Defence (Mr. Ralston), the Minister of National Defence for Naval Services (Mr. Macdonald) and the Minister of Finance (Mr. Ilsley). It is in the latter's constituency that this $12,000,000 is being expended for a temporary training school for the naval service,—in this fourth year of the war, after 55,000 men have entered the navy and have received their training or are being trained.

Under the circumstances it is natural to assume that Nova Scotia would get its fair share of training establishments. There is no justification, however, for giving it a share out of all proportion to its population, or to the contribution it has made to Canada's war effort. It was hardly, of course, to be expected that New Brunswick would receive much consideration from the government, as it was represented in the cabinet by the present Minister of Transport (Mr. Michaud) who has failed since the beginning of the war to obtain for New Brunswick its fair share of the huge expenditures which were being made in connection with Canada's war effort.

An editorial appearing in the *Telegraph-Journal*, published in Saint John, New Brunswick, on April 20 last—and may I say at this point that the *Telegraph-Journal* is not a supporter of the Progressive Conservative party—states that:

> In naval matters New Brunswick is definitely and intentionally cold-shouldered. . . . in this province, with its unmatched maritime record, just over one per cent of the naval personnel in all Canada is stationed.

Mr. MACDONALD (Kingston City): Does the hon. member agree with that editorial?

Mr. HAZEN: Yes, I agree with it.

Mr. HANSON (York-Sunbury): We have been humbugged and hamstrung.

Mr. MACDONALD (Kingston City): Does my hon. friend say the record of New Brunswick is unmatched, so far as naval service is concerned?

Mr. HANSON (York-Sunbury): "Unmatched"—what does the minister mean?

Mr. MACDONALD (Kingston City): If my hon. friend would listen he would know what I mean. The editorial says New Brunswick has been deliberately and intentionally cold-shouldered, in spite of its "unmatched" record. I am asking my hon. friend to look at the figures I placed on *Hansard* last night, and tell me whether he agrees with the editorial in that particular respect.

Mr. HAZEN: I am not prepared to say the editorial is referring to that particular aspect. The editorial goes on to say:

> This is no oversight or accident. Here is a clear confirmation of what this newspaper has alleged time and again, that naval establishments are placed anywhere and everywhere except in New Brunswick. How does the Hon. Angus L. Macdonald, Minister of National Defence for Naval Services, explain this evidently deliberate policy? It no longer astonishes, it disgusts as an example of discrimination the equal to which it would be hard to find.

It seems to me some explanation is due New Brunswick by the Minister of National Defence for Naval Services, and also the Minister of Transport, as to why New Brunswick has been treated in this way. It is not surprising that the premier of New Brunswick, a supporter of the dominion government, said this in a statement he issued to the press on June 5 of last year:

> I am sure that the people of New Brunswick will persist in doing their bit, but the sooner, however, the tactics of discrimination and favouritism are abandoned, the better.

His words evidently fell on deaf ears. As one of the representatives in this house from New Brunswick I join with the premier of that province—and, I may say, with the provincial leader of the opposition, who on more than one occasion has raised his voice about this matter, in protesting against this discrimination and favouritism. I agree with the *Telegraph-Journal* when it says it no longer astonishes but disgusts, as an example of discrimination the equal to which would be hard to find.

The return of April 19, to which I have referred, gives a further example of this discrimination. It sets out that the number of military personnel, male and female, serving in the army on March 31, last in Nova Scotia and Prince Edward Island was 30,000. In New Brunswick there were 10,000. It sets out that the number of civilian personnel serving in the army in Nova Scotia and Prince Edward Island total 755, and in New Brunswick, 149. The number of service and civilian personnel serving in the air force on March 31 last in Nova Scotia was 15,459, and in New Brunswick 5,363.

It is not only in the armed services that this discrimination exists. A return tabled in this house, which appears as an addendum to *Votes and Proceedings* of March 22, is entitled, "Report on capital assistance to Canadian industries." This is compiled by the Department of Munitions and Supply and covers the period from the commencement of the war to December 31, 1942. It shows that the government has provided capital assistance to Canadian companies totalling $1,723,827,099, made up as follows:

Fixed capital	$821,042,913
Working capital	902,784,186

No details appear to be given for the working capital advanced to companies in New Brunswick, but of the fixed capital of $821,042,913, New Brunswick received about ·6 per cent, or $5,336,750.

New Brunswick can point with pride to the way in which her sons have voluntarily enlisted in all branches of the service. They have not shirked their duty. The province has provided its share of all war loans, and it was the first province to reach its objective in the last loan. As the premier has said, it will persist in doing its bit, but is it unfair or unreasonable to ask that it receive a fair share of the increased activities brought about by the war, and a fair share of the expenditures the government is making?

On Monday, May 31, a return was tabled in this house in reply to certain questions which I had placed on the order paper, being sessional paper 124-B. This return sets out the fact that the government has spent for the construction of buildings and the purchase of lands and buildings from September 1, 1939, to March 31, 1943, in Nova Scotia a total of $29,997,000 and in New Brunswick a total of only $19,000. Nearly $30,000,000 in Nova Scotia, only $19,000 in New Brunswick. I had to check these figures twice before I could believe my eyes. There is a cartoonist whose work appears regularly in many Canadian papers under the heading, "Believe it or not." He brings to the attention of his readers matters that seem incredible but which nevertheless are true. If Mr. Ripley is looking for material for another cartoon he will find it in these figures. If the *Telegraph-Journal* wants further evidence to substantiate its statement that in naval matters New Brunswick has been definitely and intentionally cold-shouldered, it will find it in these figures.

On May 7 of last year the minister told us that $635,500 was being set aside for the erection of buildings and other necessary works at the port of Saint John. I have asked the minister how many of these buildings have been built. A year has passed and my understanding is that none of them have been erected. In consequence the navy at Saint John is obliged to carry on its operations at a great disadvantage. They are housed in what might be termed a rabbit warren, and have been forced to carry on training operations under considerable handicaps. I ask the minister now if contracts have been awarded for the erection of these buildings. What buildings, if any, have been contracted for? If contracts have been awarded, who are the contractors? What buildings are to be erected and what is the contract or estimated price in each case? If tenders have not been awarded, when will they be awarded? When will the work be started? When is it expected that the buildings will be finished?

Considerable information will have to be furnished in connection with these expenditures. The third item covers travel, transportation and freight. I referred to the breakdown which the minister gave us last year, and under the heading of travel and transportation the estimated expenditure was given as $2,585,000, whereas the actual expenditure has been $3,382,574. I would ask the minister: Are the officers and men of the navy provided with free transportation when they are granted leave? If not, what arrangements are made about the amounts which they may have to pay for transportation? When officers and men are on duty, either in the Mediterranean or on

the west coast of Africa, and are given leave, are arrangements made to enable them to return to Canada? Will the minister tell us if the amount spent during the past fiscal year on travel and transportation was all spent in Canada? If it was all spent in Canada, was it all spent on railway travel? Was any spent for travel by air and, if so, how much? Was any spent for travel by water and, if so, how much? If it was not all spent for travel in Canada, how much was spent for travel outside of Canada, and under what circumstances was it spent? Where was it spent and what companies were paid for providing transportation?

The estimated expenditures under this heading for 1943-44 are $6,978,000. This would appear to be an increase of nearly 270 per cent. I use the words "appear to be" because I notice that the word "freight" has been added. I do not know whether freight was included in the estimates for last year. Will the minister tell us if it was included in last year's estimates, and, if not, under what item it was included? To whom were these payments for freight made, and how much did each person or each company receive?

If I might digress for a moment, I would ask the minister to tell us whether any steps have been taken to have the insurance principle, sometimes called the "incurred during service" principle, applied to the men of the navy who are killed, injured or incapacitated while serving in Canada or in her territorial waters, instead of the principle that came into force in 1941 known as the "attributable to service" principle. This matter was brought before the committee last May by one of the members for Halifax in what I thought was a very clear statement. He pointed out that if a man in the Canadian navy is killed outside the territorial waters of Canada his dependents are entitled to compensation, but if he is killed while in Canada his dependents will not necessarily obtain compensation; nor in case of injury or illness resulting in permanent disability will the man necessarily obtain a pension.

The CHAIRMAN: I have to inform the hon. member that he has spoken for forty minutes.

Mr. HANSON (York-Sunbury): Not to-day, Mr. Chairman.

The CHAIRMAN: He was speaking before the house adjourned last night.

Mr. HANSON (York-Sunbury): But under the rule that does not count.

The CHAIRMAN: I beg to differ. It does count.

[Mr. Hazen.]

Mr. HANSON (York-Sunbury): Then I will take up the parable, and afterwards go on again. I desire to make some remarks, Mr. Chairman, on the subject matter adverted to by the hon. member for Saint John-Albert.

The CHAIRMAN: Order. I saw the hon. member for Laval-Two Mountains first.

Mr. LACOMBE (Translation): Mr. Chairman, on April 19 last, I entered a series of questions concerning navigation on the St. Lawrence on the orders of the day. For weeks, I awaited a reply from the minister. His answers are less than satisfactory. He speaks of airplane attacks directed against the enemy, while the question invariably under discussion dealt with submarine attacks. What protection was given to convoys by the government when over twenty ships were torpedoed in the St. Lawrence? The protection afforded, in addition to being inadequate, was certainly not perfectly organized. Those disasters were the result of unpardonable negligence on the part of the government. In reply to the above-mentioned questions, the minister makes a great deal of the shorter distances to support his claim that transportation by land is more advantageous than convoyed transportation along the St. Lawrence. In this whole matter, however, I fear that the railways are being favoured beyond all justification. They seem to control the situation in their own interest, and to the prejudice of the public. That point should be cleared up without further delay. Do you want any proof, Mr. Speaker? The net revenue of the Canadian National Railways, over the last four years, was as follows: 1939, $20,854,418; 1940, $45,007,412; 1941, $66,608,341; 1942, $85,000,000.

The increase in the revenue of this railway is easily seen. The same applies to the Canadian Pacific Railways.

True, the St. Lawrence has not altogether been closed to navigation, but the situation is not far from that point. A mortal blow has been dealt the seaports of the St. Lawrence, and the fine port of Montreal particularly. The shipping of munitions, supplies and materials of all sorts by rail from Montreal to Halifax and Saint John, New Brunswick has resulted in over a million-dollar increase in the Canadian taxpayer's burden. This state of things is dishonest as well as unfortunate. Let us hear no more of those blinds as an excuse for the poor administration which time and again, for months and years past, has been brought to light. The same method is always used: thoughts are concealed the better to hide unmentionable intentions; words are uttered without point or the better to

deceive the public. Therefore, the ports in the St. Lawrence and our navigation on that river will be ruined as a result of our participation in this war which I opposed, seconded by the hon. member for Quebec-Montmorency, by an amendment objecting to this participation which threatens to carry all before it, our youth, our civil liberties, as was evidenced this afternoon, our natural resources, our commerce, our industry and even our agriculture.

To end my remarks, I shall read a letter written by an experienced pilot, Mr. Cyrille Pouliot, of Gros-Pin, Charlesbourg, Quebec:

The Editor of the *Standard*,
Montreal.

Dear Sir:

May I bring back to your attention the sound advice given to your valuable newspaper in an interview by an important British businessman, Mr. R. L. Holmes. This important interview was given to the *Standard* on October 13, 1934. Here are the words of Mr. Holmes:

"What you here in Canada must always remember is that the St. Lawrence is your front door, and when you block the front door no one can get in your house."

Mr. Holmes said that Canada would be like Siberia without the St. Lawrence.

Yes, sir, we have at our disposition this important water transport facility which since 1939 has been ousted by the railways and they have taken a place of vantage at the expense of the Canadian taxpayers.

Who is paying for all that? How much per ton from Montreal to Halifax or Saint John, New Brunswick? These are important questions for our members of parliament to ask at the session.

Give Halifax and Saint John, New Brunswick, their importance during winter months, but let us take the advantage which the St. Lawrence offers of cheaper transportation and thus save millions of dollars. This war is already a heavy burden on the taxpayers; why make it worse?

The ports of the St. Lawrence are known for their efficiency. Montreal was quoted by Mr. Holmes as a first-class ocean port. Often we St. Lawrence pilots have listened to praise spoken by ocean ships' masters of the skilful work done by the stevedores of Montreal and their quick ways of loading ships, the honest agents, and not the least, good pilots. Praise to the St. Lawrence pilots was given by your valuable newspaper on September 8, 1923—"The St. Lawrence pilots famed for efficiency." The St. Lawrence pilots are known the world over for their efficiency, et cetera.

The Canadian government and the engineering experts of the federal department of marine have contributed in making the St. Lawrence river safe for navigation and brought Montreal as a recommendable seaport. All this was done for cheaper transportation, shipping cargoes as far inland as possible. Now that we are learning that the submarines are going to operate the greatest battle this year, it would be advisable to sail ships as much as possible inland.

There is 860 miles from Montreal to Belle Isle. The entrance of the gulf, Cabot Strait, has a width of 41 miles from Cape Ray to St. Paul and 11 miles from St. Paul island to Cape North—Cape Breton island.

The Strait of Belle Isle is 10½ miles wide at Pt. Amour. It would be important to concentrate our patrol at the above mentioned entrances also using mines. The Strait of Belle Isle should be fortified, also Cape Ray, St. Paul island, Cape North, and the Gut of Canso.

Not only the Canadian shipment for England should be shipped from Montreal but also the American goods.

Comparative distances from Canadian and American ports to Liverpool and Glasgow:

	Montreal	Quebec	Saint John, N.B.	New York
Glasgow	2,695	2,552	2,706	2,997
Liverpool	2,762	2,626	2,793	3,074

One-third of the distance to England can be sailed inland safely by guarding the three entrances and patrolling the gulf. The gulf of St. Lawrence as far as Saguenay river is one of the clearest waters in the world, and cold 45 degrees Fahrenheit.

Cyrille Pouliot.

Pilot Cyrille Pouliot
Gros-Pin (Charlesbourg)
Quebec.

This very interesting letter was sent by Pilot Cyrille Pouliot to the *Standard*, and I want to draw it to the attention of the minister.

Mr. STIRLING: As we listened to the statement of the minister yesterday unfolding the story of the Canadian navy and what it has accomplished, my thoughts went back to not so very many years ago, when there were amongst us a certain number of people who took their pleasure in deriding and scoffing at Canada's navy. They were ignorant people, in my opinion, who were not possessed of the facts. They argued in some instances that the money which was voted annually for the upkeep of Canada's navy would be better devoted in other directions. I do not know that they did very much harm. They were scoffers who delighted in scoffing. But there were amongst them, unfortunately, a certain number of public men, and they were more dangerous because they had an audience. I wonder whether now, looking back at their foolish judgments, they are hopeful that we have forgotten their utterances and that their future statements may be given more credence. For, suppose that their opinions had been heeded, suppose Canada had dismantled her ships and distributed her men in other directions, the minister certainly would not have been able to tell the story he told yesterday of what Canada's navy has attained. If that navy had not been in existence in September, 1939, he would have had to start from scratch; he would not have been able to develop it as

it has been developed, and it would not have been possible for it to play the considerable part which it has played in these war years.

Certainly the story which the minister unfolded brings no blush to our cheek. In part, the progress, the development, the expansion which has been made has been due to the painstaking work of the chief of the naval staff and the officers associated with him, who, in those discouraging years, were able to carry on despite the taunts which were levelled at Canada's little navy, and laid the foundation for the structure which has been erected. What was that foundation? That foundation was the outcome of plans which began to be developed after the great war, when Canada received from Great Britain a certain number of naval craft with which to start the Royal Canadian Navy. The plan was laid so that there should be a small, efficient, permanent force, supported by two reserves: the Royal Canadian Naval Reserve, filled with officers and men from the mercantile marine; and the Royal Canadian Naval Volunteer Reserve, distributed through its divisions all across Canada, and to which were attracted the young men who desired to follow the sea if war came. The plan was based on an efficient, small, permanent force which would be enlarged from those two sources, the mercantile members of which would have received their training at sea, and the volunteer reserve would be filled by men who received their training in the volunteer reserve.

So we see that the Canadian navy of to-day has been built on a plan which was laid after the great war. Had it not been for that plan we should not have been able to get a navy of the stature which we have to-day. The essence of that plan was the efficiency of the permanent force. In order to attain efficiency Canada looked towards Great Britain for the assistance which the Royal Navy has been ready to give in the training of the young men of all the dominions who could go into its training courses with the young men of Britain and so receive that training and gain that experience by which we now benefit. After that training our young men went to sea in battleships and cruisers until they had served sufficient length of time to warrant their being passed on as acting sub-lieutenants to the Greenwich courses, and having graduated in those stiff courses at Greenwich Hospital, they then were able to return to Canada for the first time and be used in Canada's ships and shore establishments.

At the time that Canada's navy was being derided there was, fortunately, a far stronger school of thought in Canada which reminded the people that Canada at least had an expanding export trade, that in Canada's mind there was budding the idea of nationhood, that somebody would have to police these trade routes of the world, and that if Canada did not do so she should surely hang her head if she was not able to make plans necessary to take care of her commerce. That reasoning, mercifully for us to-day, was strengthened by the growth of public opinion, was kept alive by these establishments to which I have referred, scattered across Canada —the volunteer reserve—and to a smaller extent by the sea cadet corps, which are in a far stronger position to-day than they were.

The minister referred in one portion of his remarks to the four methods of entry of ratings into the Royal Canadian Navy. I trust that when we get to the question time the minister will elaborate those four methods, because I do not think they are properly understood. He referred to the first as being through the Royal Canadian Naval Volunteer Reserve, the second through the naval schools and bases, the third through the technical schools and universities, and the fourth through ships. What I do not follow about that statement is that those who come through into the navy by means of the three latter that I have referred to must pass on to the R.C.N.V.R. to receive the further training necessary. The efficacy of the training given by the permanent force has had the effect of enabling a very considerable number, running I would say into tens of thousands, of men passing through the volunteer reserve to receive the necessary training in the short time that has been available to enable them to man the ships which we have built.

The minister told of the tremendous increase in the number of ships, from 15 to 550. It has been no easy task to find officers, petty officers and men with sufficient training, with the little experience that time would permit, to man those ships, and it has been due to the benefits received from the plan that I have referred to, and the methods of training which have been evolved.

The minister did not refer to a matter which I think it would be well for him to explain in the course of the discussion, and that is the capital expenditures to government-owned and private companies for the purposes of the naval branch of the service. A return was brought down last year which indicated that the sum already expended was $80,487, and that the capital commitments were $283,959. That was up to a date last year, which I cannot recall; I have not the return before me at the moment. I should

like the minister to bring these figures up to date and I should like him also to explain why it is necessary for the naval branch of national defence to make these expenditures direct, because in most other directions the needs of the navy have been supplied by indenting on munitions and supply, through whose hands capital assistance to the companies, whether government-owned or private, has passed.

The minister referred to the entry of ratings and explained the two methods of entry of commissioned officers. He referred also to the fact that in future we shall be able to look to the sea cadet corps as a nursery from which to draw. I should like the minister to explain whether, under the auspices of the navy—for the sea cadet corps now work in much closer connection with the navy than they did before—the age of leaving the sea cadet corps has been raised. Hitherto the age at which a cadet had to leave his corps was sixteen, and so far as I am aware the lowest age at which a lad is allowed to enlist in the volunteer reserve is seventeen and a half. I wonder what arrangements there may be to cover that overlap, because in the sea cadet corps there are usually found a certain number of lads who are extremely well adapted to the navy. Perhaps there is a call in the blood, perhaps there is a particular interest which has grown up from childhood, and it is not advisable that there should be any gap when the time comes for that lad to leave the corps and before he is able to be looked over for naval entry.

I do not understand from the minister's remarks whether there is still direct entry into the Royal Canadian Navy as there has been hitherto for boy seamen. It is true that in the years of peace the requirements of the Royal Canadian Navy of boy seamen were very small indeed, and I know from experience with sea cadet corps, with which I have been connected for a great many years, that there was very keen disappointment on the part of a lad who earnestly desired a sea life but who, with so small an entry, found it very difficult to make it. I should like to know whether there is still opportunity to receive boys, as they leave the corps, direct into the Royal Canadian Navy for training. I should like the minister also to explain what deductions are made at the source from the pay of both ratings and warrant officers and commissioned officers.

I do not know under what circumstances, if any, the national defence tax is taken off, and I want to know what other deductions there may be for contributions to funds for the benefit of the navy. For instance, is there anything in Canada comparable to the Royal Navy Benevolent Trust, a trust set up in Great Britain which receives, I believe, a government grant, contributions from the public and, I believe, contributions paid in by officers and men? Its purpose is to take care of those cases which may turn up from time to time of grievous accident to a man or his dependents—cases of sickness, operations, financial trouble suddenly occurring. I believe that after the great war it was of great service indeed in assisting men to get reestablished, and I do not know whether in Canada we have anything comparable to that. The sailor in the navy of course comes under the pension act and receives what assistance is forthcoming in that regard; but if there is anything further than that to which a man or his dependents can turn I should like to hear more about it.

As the development of the navy has proceeded, Canada's worth has been recognized in the battle of the Atlantic, by giving command of this side of the Atlantic in the submarine war to Rear Admiral Murray, as described by the minister. That to my mind is not only a very excellent recognition of the part that Canada has played in the fight in the Atlantic, but it also emphasizes the necessity for cooperative work between the navy and the air. Ten years ago exercises were planned to prepare for cooperational work. The work was terribly handicapped by the short supplies of those days. I should like the minister to describe to what extent that cooperational work has been carried on since the beginning of the war, and whether it is developing apace. He has referred to the squadrons which have been set aside for purposes of cooperation in connection with the fight in the Atlantic, but to my mind he was not clear in his description of the command. Do those squadrons operate under the command of the commander in chief, Rear Admiral Murray, or is it a parallel operation with the naval chief and the air chief operating in close contact but not the one under the other? In the statement made by the Prime Minister this afternoon the same question arises in respect to the river and gulf of St. Lawrence. Is the squadron leader who has been appointed to take supreme charge in command of the naval forces with whom he will cooperate?

Then there is another matter in connection with entry. Will the minister explain to what extent, if any, there are categories of entry into the navy. We know something of the categories in regard to enlistment in the army.

As to the navy, however, we do not know whether there is only acceptance or rejection; whether a man who just fails of acceptance in a fighting capacity, shall we say, can be used even though he may have some slight disability, and whether that applies equally to the lower deck and to the executive officers. I would remind the committee that the assistance which the Royal Navy has always been ready to give in regard to training has not been confined to our young men when they first enter. As promotions come to our officers and petty officers there are further opportunities for those men to serve on ships of the Royal Navy and to take courses drawn up by the Royal Navy, particularly in connection with those young men who specialize in gunnery, torpedo work, navigation, signals, or anything else. In that way we have been able to give the officers and petty officers and some men of the permanent force the training and experience they have required in order that they may again impart it to the volunteers coming from the two reserves.

There are many other questions which will arise in the discussion of this matter. I shall not proceed further at the moment, beyond calling to the minister's attention these few points on which I have asked for further information.

Mr. GRAHAM: As I listened yesterday to the presentation by the Minister of National Defence for Naval Services I was impressed by the fact that he was relating to this committee a most important development in the history of our comparatively young country. Think of the facts as he told them to us. Canada now has some 550 warships, which number will be increased during the coming year by some 70 ships. Manning these ships, and taking care of the shore requirements, are some 60,000 young Canadians. To me this means that a nation such as ours cannot turn back in its path of destiny; and I believe the facts related by the minister will play an important part in the development of Canada into a powerful young nation.

As a matter of fact, Mr. Chairman, there was a time in the history of Canada when her ships sailed the seven seas; that was about the middle of the last century, the period known as the days of wood, wind and water. I like to read of our wonderfully self-sufficient forefathers in the maritimes who were equally capable in tilling the soil to produce the fruits of the earth; going into the forest, cutting down the trees and shaping the logs into lumber and using that lumber to build ships; sailing in those ships to carry on deep sea fishing and then journeying to every port in the world carrying the products of their farms, of the forests and the sea. Unfortunately, as we all know, the advent of steam spelled the doom of that particularly independent and self-sufficient era. I imagine to the people of the maritimes that change seemed to come slowly. However, that economic revolution, together with the railway development in the United States, became the determining factors that helped bring about confederation, which in turn has brought about the development of this dominion of which we are all so proud.

I believe that the present significant growth of our maritime strength marks another really important development in the history of this nation. Since that period of Canada's greatness—because Canada was comparatively great on the seas in the middle of the last century—we could not be described as a maritime nation. We all recall the heated discussion which took place in 1911 and 1912 as to what should be Canada's contribution to the commonwealth sea force. No doubt it now seems strange to the hon. members of this house that the discussion should have occurred, or that it should have been characterized by such heat. I cannot help but pay a tribute to the great leader of the Liberal party of that day, Sir Wilfrid Laurier, who even then had a vision of Canada, within the commonwealth, becoming an independent, fully autonomous nation, friendly with all and in close partnership with the mother country, yet capable of assuming the rights and prerogatives of nationhood and all the responsibilities that must go with the assumption of those rights. So that what is happening to-day is in effect a tribute to the vision of Sir Wilfrid Laurier and the policy that dictated his attitude toward the development of our young nation.

I have no desire to enter into the argument of sea power versus air power, let alone to attempt to settle this controversial question. History alone, I imagine, will decide the question; but notwithstanding that controversy let me say, as the hon. member for Yale (Mr. Stirling) has said, that the history of this war so far has shown that sea power is still a vital factor which will play an important part in the determination of the struggle in which we are now engaged. It will be remembered that Napoleon was unable to gain domination of the world because Britain in that day controlled the seas. Napoleon failed because of his inability to overcome Britain's naval strength and command of the seas. Hitler has found and will continue to find that he, too, is unable to storm or to break down the barriers of

that first bulwark of British defence, the sea power which has stood us in good stead throughout the ages.

When we think of the present war, and what sea power has contributed to the allied cause, we must admit that there would have been no embarkation at Dunkirk had Britain not possessed the ability to take the men out from that holocaust. It is also easy to realize that the magnificent efforts of those few members of the Royal Air Force in those terrible days would have been in vain if Britain had not kept the north Atlantic lane open, so that the new world could carry to her the food and munitions of war which enabled her to continue the struggle.

What would have happened in Egypt; what would have happened to the Suez canal, had control of the seas not enabled us to carry to that vital field of battle not only the sinews of war but the men to use those sinews of war.

And so throughout the history of this war —in Libya and in North Africa. To-day, when we face a moment of great decision; when we are about to invade Europe itself, where would we be if we did not possess that overwhelmingly important factor, namely sea power, with which to support the armed forces we propose to send to that continent?

Therefore I think, without in any way depreciating or taking away from the army or air force the warm and well deserved praise that is their due, we should never forget the overwhelming importance of this vital thing we designate as sea power.

Canada now has a very strong naval force. According to the figures given by the minister, Canada is now the third most powerful maritime country among the allied nations. That is a remarkable historical fact which must play an important part in the future growth and development of our country, and in its relationship to the world.

It will play a great part, too, when we come to the peace table. When I think of Canada's contribution through its army, its air force, its navy, its productive capacity, and through the immense supplies of food and war materials furnished the allied cause, I have a vision that Canada will come to the peace table as a fairly powerful voice; and more so because it is well recognized that Canada has not raised its army, developed its air force or its navy for purposes of aggrandizement, or for purposes of aggression or warfare, but for the very opposite. We have that potential strength to stand at the side of those who agree with us in developing a world in which there will be that degree of liberty and peace for which we are all striving.

I rise to-day because I come from what is possibly the most land-locked province in Canada. Sometimes I wonder if those who live down by the sea, in our coastal provinces, think that we have no interest in the magnificent creation of our Canadian navy. Of course the facts indicate that that is entirely wrong. These show that out of the 60,000 officers and ratings which go to make up naval personnel, almost forty per cent came from the four western provinces.

I read a discussion as to just what created the appeal in the minds of men from the prairies. One suggested that it was the love of the far-off seas. Another suggested that life on the prairies is so different from life on the sea, that the reason was to be found in the lure of strange places. I do not know the reason. Perhaps it is an atavistic trait gained from our forefathers who came from many lands, and many of whom undoubtedly dwelt near the sea.

I am delighted, however, to learn, both from the records and from conversations I have had with naval officers, of the splendid contribution made by our young men from the prairies. In some ways those vast prairies look like the great oceans. Our boys from the prairies have shown themselves to be first-class sailors, and I note that the official releases by the Royal Canadian Navy pay tribute to the splendid young men who have come from the prairie provinces, and who have directed their efforts to the navy.

I should like to place on record a brief dispatch setting out a deed of valour performed by one of the ships named after one of our western cities. I refer to the *Regina*, named after the capital city of my own province:

> On a pitch-black night, tracer bullets exploding against steelwork and vivid Mediterranean phosphorescent wakes revealed the targets to gunners.
>
> The submarine sprayed the corvette's forecastle, wheelhouse and bridge with steel and explosive bullets, hoping to kill the guns' crews and upper deck officers. By sheer luck, only one lad was grazed.
>
> Zig-zagging in hot pursuit of the U-boat, *Regina* brought port and starboard light guns to bear successively on the raider's decks—the one side reloading as the other fired. The captain, navigator, first lieutenant, after-gun's crew and several others, of the submarine, were killed as they attempted to direct offensive action against the corvette and man their armament.
>
> At the same time the corvette's four-inch gun's crew blasted their quarry at close range with heavy shells. Despite the zig-zagging of the ship their aim was good and their shells tore great gashes in the submarine's upper decks. One shell hit just at the base of the conning tower, tearing it loose from the deck of the submarine.

Regina drew first blood and was in command of the situation from the beginning. As she closed, ready to ram, the Italians lost all stomach for fight. Great shouts of "my friend" and "comrade!" arose from the deck of the U-boat, and the fight was over. *Regina* turned the beam of a large signal lamp on the conning tower, and men were seen swarming out, hands high.

The submarine sank soon after.

That is a tale respecting one of our ships named after a prairie city. Among the personnel aboard that ship were men from every province in the dominion, my own city of Swift Current contributing one in the person of Mr. John Grant.

I am sure the opportunity which came to the *Regina* on that occasion in the Mediterranean is the opportunity which every vessel of His Majesty's fleet seeks. That is the opportunity they seek constantly, in order that they may contribute to the valorous history of our navy, wherever their work may be.

In passing, may I pay tribute to the minister for adopting the idea of naming our corvettes and mine-sweepers after the towns and cities of the dominion. That procedure brings home in tangible form the identification of at least one ship to the city, town or village whose name that ship carries. I know in my own small city of Swift Current there is a personal relationship between that community and the craft that bears its name. I am certain that is true of all other cities, towns and villages, such as Kamsack, Moose Jaw, Melville, Battleford, et cetera, whose names have been chosen to designate ships of war. It seems to me that whoever thought of this idea performed a valuable service for the people of this country through linking them in a personal way with some of the things our armed forces are doing in the course of their duty. I am sure that the people of Saskatchewan, in common with the people of other provinces, take pride in the minister's story of the building up of the Canadian navy. As I have said, Saskatchewan is a land-locked province but it feels that it has a part to play in all that occurs in this great dominion. Nothing has been closer to our hearts than the valour and deeds of our Canadian navy.

I wish to close with one suggestion with reference to a matter which has been the cause of controversy in this country for some time. I confess that until recently I had not formed a decided opinion about the adoption of a Canadian flag, but I must say that I think the time has come when, in justice to the immense contribution which Canada is making; in fairness to the dignity of this nation of ours and without the least suggestion of disrespect to our mother country; in fairness to all our ships; in fairness to our army which has fought and will fight upon the battlefields of the world, and to our air forces, we should have a distinctive flag to symbolize this great country from which they sprang. I for one think the time is ripe—I believe the great majority of the people of Canada will agree—to have a distinctive Canadian flag.

Mr. ANTHONY HLYNKA (Vegreville): Mr. Speaker, during his most interesting and well delivered speech yesterday, the Minister of National Defence for Naval Services (Mr. Macdonald) gave us some of the highlights of the services which are being rendered to the common cause by the Canadian navy. Personally I have no quarrel with the Canadian navy because there is much in it that deserves commendation, but I hold the view that we cannot get very far by patting ourselves on the back for everything we do. I believe it is proper and desirable for hon. members to point out to the minister and the committee the mistakes which are being made from time to time in an endeavour to overcome and correct them. The Saskatoon *Star-Phœnix* of October 21, 1942, contained an article which I should like to quote. I wish to refer briefly to some of the practices of discrimination shown by certain officers in the naval service. It is an unpleasant task for any member to rise in his place and refer to these incidents, but someone must do it. This article points out the narrow-mindedness of some of the men who hold important positions in the service of this country, and it is as follows:

Navy willing to take men,
Probationary sub-lieutenants will be accepted, says commanding officer

The commanding officer, Lieutenant-Commander C. A. E. White, H.M.C.S. *Unicorn*, announces that a limited number of applications will be accepted for entry into the naval service as probationary paymaster sub-lieutenants.

Preference will be given to candidates with university degrees and to qualified accountants. In addition, some experience in accountancy, law or commercial training is required. Those in administrative positions or those who have already demonstrated an ability to take charge are most suitable candidates.

Here is the pertinent part:

In addition to the above qualifications candidates must be between the ages of 18 and 45 and be of British origin.

All hon. members know that our Canadian citizenship is made up of peoples who have come from many different lands and who have adopted Canada as their country. I know of several instances where school chums who have attended university together de-

cided to enlist in the navy, and the same thing applies to the army and the air force. When they were accepted, those with British names were eligible for officer material, whereas the others were left behind. This sort of thing in time of war is most undesirable. Surely there is no distinction drawn on the battlefield; surely no one cares about the origin of a Canadian soldier who is ready to give his life for Canada. Information about these cases leaks out only now and then, but the instances brought to my attention were so numerous that I was astounded.

In his speech last night the minister pointed out that the task ahead is still a great one. Why not then erase all these differences? Why bring up the racial origin of a Canadian who wants to serve his country? I should like the minister to answer some of these questions when I get through.

I wish to ask him this question: What is it that makes these men of non-British origin unfit for officer material? I should like to know, because scores of young men from my constituency are writing me that they want an opportunity to advance, but there is simply no possibility of it on account of this prejudice. This state of affairs is most regrettable in a time of war when we are fighting for our very existence, and a different policy should be adopted forthwith. It is true that the navy is a traditional British service. The British have naval traditions unequalled by any other nation in the world. At the same time I feel that we should accept for promotion those who are not of British origin, if they possess the requisite qualifications and physical standards. I think the time has come when Canada should once and for all erase at least some of these distinctions and fight for a common objective. No one has any choice in the matter of birth or racial origin.

Mr. MACDONALD (Kingston City): I do not want to interrupt my hon. friend, but he has repeatedly referred to an article in the Saskatoon *Star-Phoenix* stating that recruits must be of British origin. If such an article did appear it was entirely unauthorized. The regulations simply require that a man be a British subject. There is no regulation that he be of British origin. If my hon. friend will look at the navy list of officers, he will find a great many names that are not British in the ordinary sense of the term. My hon. friend will find a good many other names which indicate central European origin.

Mr. HLYNKA: I am glad the minister has made that statement and corrected what appeared in the Saskatoon *Star-Phoenix*. I feel it should be the duty of the departmental officers to check up on statements of that kind and correct them as they appear. That was not done in this case. I have known many young men in the navy, army and air force who have at different times complained to me about this discrimination. That condition of affairs should not prevail, and I am bringing it to the attention of the committee so that it will not recur. I am glad to learn the minister's attitude because we must accept all Canadians, regardless of their origin, as Canadians, particularly when they offer their very lives for this country and the cause for which we are fighting. The diversity of racial origin in Canada should be a source of strength rather than a source of weakness if our people are treated aright. There is an inestimable amount of cultural wealth brought along by the various peoples who have come to this country.

In closing, I should like to refer to the remarks made by the Prime Minister (Mr. Mackenzie King) in introducing Doctor Benes, President of the Czechoslovak republic, to the members of the two houses of parliament the other day. The Prime Minister said:

> May I say to Dr. Benes that we follow in our parliament the practice he followed as President of the League of Nations, and speak in either one of two official languages. I know, had time permitted, the President, as was the custom at the League of Nations, would have wished to repeat in French the address which he has just delivered in English. I would suggest that one of the two gifted gentlemen who will express our thanks to Doctor Benes might take notice of the fact that we are a parliament which recognizes more than one language.

I was deeply impressed by that statement of the Prime Minister, who took pride in the fact that we express ourselves in more than one language in this country. I commend that spirit and attitude to the various defence departments in the task which lies ahead of them. Canadians, regardless of their origin, and I would include those who are not of British origin, have pulled their weight admirably in this war and we should be proud of them all.

Mr. CHURCH: I had not intended to take part in this debate, Mr. Chairman, but I have one or two suggestions to offer. First, may I suggest to the minister that in view of the acoustics it would be much easier to hear him if he would occupy a seat in the front row and sit a little further down the chamber.

The minister made a very good opening statement. I would remind him that for many

years before the war started I had consistently urged upon this house rearmament and that we should be training from five to ten thousand naval men each year. We have the example of Gordon on the Nile in 1885. I had also urged for many years an empire shipbuilding policy, the extension of the navy, the building of a large merchant marine. When the agenda of the 1937 imperial conference was laid on the table of this house I urged that we should reopen and establish shipbuilding plants on the great lakes and the two ocean seaboards, and that we should be building merchant ships and all that kind of thing. I also urged that we should adopt the Jellico report regarding the Pacific and aid to the Singapore base.

I have no criticism except constructive to make of the department. I have never criticized, either in the two wars or between them, its personnel, the men who so ably carried on. Between the period of the two wars I did comment on the department not having given proper aid to the mother country in its great naval policy and shipbuilding policy, and also having allowed men who were faithfully serving us in the navy to put up with the conditions which then existed. We know what happened after the great war when Britain, on the urging of Canada, leading the dominions, threw away her defences and her friends and listened to the babble of the pacifists, and when his own predecessors treated the matter with some levity. However, that is all over. No doubt mistakes were made. Unfortunately the country and the house threw away its army, navy and air force and listened to the babble of the pacifists, with the result that when another war came upon us we were not ready and had no fleet except the merchant marine.

Starting from scratch, Canada has made, I believe a very fine contribution to the naval effort. But there are some matters in which I am interested in a constructive way. I have no criticism to make of the present minister; in fact I never saw him until he entered the house on the other side of the chamber. I have no quarrel with him. Criticism is a tonic which stirs governments to action and it is the function of an opposition, provided that the criticism is of a constructive character and is founded on fact and not raised for political purposes. I am a Conservative and have never been anything else. I want fair play. In the report of my statement to this effect the other evening the word "not" was inserted in front of Conservative; I did not use it. As I say, it is the duty of an opposition to give constructive criticism. Since the war began I have many times brought before the committee and the house suggestions and proposals for the improvement of the conditions of those who serve this country on land, on the sea and in the air. One was a bill in 1939-40 to provide free fares for soldiers on embarkation leave; another to supply cheaper meals and berths on trains and refreshments at canteens; also to ensure better transportation for the forces on rail and ocean services; to provide a high cost of living bonus to all soldiers and dependents, and not this pin-money to which I referred in connection with the debate on the army estimates the other night, something which is given to some and not to others. The bonus which is known as a dependent's allowance for board is, in my opinion, mere charity. There should be a proper bonus extending to all branches of the forces.

Regarding the chaplain service. I cannot see the necessity of three chaplains, one for each service, in a camp like the Exhibition grounds at Toronto. I do not believe it was ever intended when the services were divided that there should be duplication and triplication along such lines.

I have also tried to offer constructive suggestions concerning conscientious objectors, alien enemies in the universities, a national system of insurance to provide protection during and after the war against want and unemployment. Incidentally the 50-mile limitation on bus travel is causing a great deal of inconvenience to our soldiers. There should be a reduction in prices in the canteens for such things as cigarettes, tobacco, soft drinks, sandwiches, coffee and tea.

The government should give some attention to correcting inequalities of pay. Last session the minister after an order was passed by the house for it three months before, went to some trouble to produce a blueprint which was laid on the table of the house. It revealed a considerable number of inequalities especially affecting the lower paid ranks, as regards pay, subsistence, and transportation. We had also, on this order for return, a blueprint covering the pay of the women's army, all the three forces. If Canada has a citizens' army there should be less inequality of treatment. Many of our best men voluntarily enlisted at the lowest rate, which was $1.30 or $1.25 a day, when many had been receiving, in civil life, ten to twelve times that a day. I believe it was even lower for the navy, but the variation has since been corrected. Nevertheless there is too much of a difference between the pay of the ordinary seaman and that allowed to

the higher ranks. War is war. I am not criticizing the women's army, whose personnel are no doubt entitled to what they get, but the comparison of their pay with that received by other branches shows that the men who enter the ranks of our citizens' army—army, air force and navy—are not being fairly treated.

When a person enters the army, the navy or the air force he loses his civilian status. There is no doubt about that: once you sign your attestation papers you lose your civilian status. Now, we are a civilian army as much as the men who enlisted in the American armies during the war between the north and the south, and they did not lose their civilian status. The enlisted man retains his civilian status in England, in Australia, in New Zealand, but he loses it in Canada, together with all his rights of protection based on the liberty of the subject. He cannot even write to his own member of parliament if he has a complaint to make. Some letters which members receive are opened. I had a letter opened the other day which was written to me by a good soldier who won the Military Cross. It was concerned purely with a departmental matter, but it was opened by the censor. I wish to object to that.

There should be civilian inquests all over Canada for all the forces. I found it a good thing in the last war, as I told the Minister of National Defence (Army) the other night. In 1917 conditions in the hospitals were not what they should have been; in fact in our district they practically had no hospital. They opened the old base hospital on Gerrard street, Toronto, for some of the forces, although as a hospital trustee, as mayor, I closed it because it was not good enough for civilians, and we remember there was a flu epidemic in 1917 and 1918 which took away many of our men. I contend that a man who joins the forces is entitled to all the protection which the civil law accords him. Dear knows, he has enough to put up with as it is.

Mr. MACDONALD (Kingston City): I assume that my hon. friend has looked closely into this matter of civil rights of Canadian soldiers as compared with, say, British soldiers, but my strong impression is that there is no difference whatever there, that a British soldier has no more rights with regard to complaining in writing on service matters to, say, members of parliament than a Canadian soldier has. I wonder whether my hon. friend has looked closely into it.

Mr. CHURCH: My time is limited; I am not like the minister, who has unlimited time. But I can tell him that a man loses his civilian status by joining the army, the navy, or the air force.

Mr. MACDONALD (Kingston City): I assure the hon. member that he has as much time as I have, and I want to ask him if he has looked closely into this matter.

An hon. MEMBER: Order.

Mr. MACDONALD (Kingston City): Are we in committee; and if so, are we not to have a discussion? My hon. friend has made the statement that a Canadian service man—

Mr. GRAYDON: Mr. Chairman, is this a point of order? Is the minister rising on a point of order? If not, I am.

Mr. MACDONALD (Kingston City): I am not rising on a point of order. I am asking the hon. member for Broadview a question.

Mr. GRAYDON: I am rising on a point of order, and it is that I think the minister at least ought to ask the hon. member if he desires to allow an interruption, because this is twice that the minister has interrupted him. I believe that only on a point of order should an interruption be permitted.

Mr. MACDONALD (Kingston City): When we are in committee—

Mr. CHURCH: May I say to the minister that I, not the minister, am making this speech. He can make his own speech afterwards. He has the whole year to make speeches; we have just one opportunity, when his estimates are here, on the particular appropriation bill. I notice in connection with the debates in the British House of Commons that on the appropriation bill these questions are brought up which concern the three forces, and there is criticism of the gross mismanagement of the whole war. In any event I am just about through with this portion of my remarks.

In connection with summer uniforms, some get them and some do not. As regards the navy, I suggest that during the summer and winter there should be a better uniform for those men who walk around our streets. It is all very well for them to wear the ordinary uniform on board ship; no doubt that conforms to regulations and all that sort of thing. But there should be some improvement so far as training at home days are concerned.

This empire of ours came into being by the sea and it cannot exist without the sea. I believe that these vast expenditures which the minister brought down last night, nearly half a billion, while they are commendable as far as they go, do not represent the total com-

mitments which we shall have to make in the course of time after the war to protect us from another war. It is my opinion that even after the war we shall require very large expenditures for the upkeep of a national empire fleet as a part of the contribution of Canada to peace and collective security. The mother country has to import twenty-five out of twenty-seven articles of raw materials she uses, and we know what sea power has stood for down the ages, and what it has meant in particular to Great Britain and the British empire. I am sure the minister would receive the support of the Canadian people if he took steps to ensure a strong navy for this dominion even after the war; because I do not believe for a moment that the Canadian people will tolerate again such a state of affairs of complete disarmament as existed at the time the war broke out. Right alone is not enough. Right plus might will be right in the future, and right plus might will be the policy of the British empire, which will continue as an empire for all time.

So far as the navy is concerned, I would point out two appropriate prayers in the Book of Common Prayer. There are three prayers which have to do with our ships at sea in time of war, daily and before a battle, and the Rubric directs that these prayers shall be used daily at sea for use in His Majesty's navy, to be read at sea by all officers and men. In one of them, officers and men pray that they may be a safeguard unto Our Most Sovereign Lord King George and his dominions, and a security for all persons sailing upon the seas on their lawful occasions. That is a most eloquent tribute to the navy. It is a definition of the work of the navy in this war, and it indicates that the navy has a function wider than that of mere national and imperial defence or war effort. It is binding on Canada. The ultimate object of those who so gloriously serve in the navy is the establishment and maintenance of law and order, justice in the world and freedom from tyranny, as these prayers indicate.

The sea power of the British empire is not an instrument of injury or tyranny, though the navy has been an instrument for the overthrow of tyranny. It has always defeated tyrants, and it is the one power which the axis powers fear most to-day. It does not seek dominion but is an influence for freedom and for the protection of all those who go on the seven seas to pursue, as the prayer so beautifully states, their lawful occasions. Indeed, Mr. Chairman, I suggest that it would not be out of place for that prayer to be read here daily, seeing what a splendid page our officers and men have been writing in the history of Canada.

There is one question with regard to naval cadets which I wish to touch upon briefly. As everyone knows, this country excels in aquatic sports, but many of the rowing and canoe clubs, swimming and aquatic associations, yacht clubs and so on, have been driven to the wall by the great war, the depression and this war in succession. I was at a regatta last Saturday, where a great many secondary schools of Toronto and York county were taking part at the Argonaut club in Toronto, of which I was at one time president. I have always taken an interest in the secondary schools. I began to interest myself in this work when I was on the school board and later in connection with my activities in the aquatic clubs of the city, and harbour improvements, as chairman of the harbour board, and from my experience I have no hesitation in stating that we were wrong when we took the control of the cadet services away from the boards of education and school boards, public and separate, where it had been since confederation. There was a big parade in Toronto on Sunday, and I suggest that the minister and his department might very well cooperate with these agencies, the school boards, in the advancement of cadet services.

I notice that in a great many newspapers there are reports indicating that members of parliament from various military districts across Canada have been invited weekly to join all parades of the forces, Toronto excepted, in order to find out for themselves how the money to pay for the army, the navy and the air force has been expended. Those of us who come from Toronto and district have never had any invitation since this war began, to attend a single event in connection with the army, the navy or the air force, to see how one cent has been spent. Personally I do not want an invitation because I have not the time to attend in any event; but I object to members of parliament being passed over in that way when they represent the people in federal affairs.

I cannot understand why it is that a statement was not given long ago of Canada's part in money and munitions as to the great armada to Algiers and Morocco. There has been no such statement on behalf of the government so far. Probably the government will make a statement later on. He gave us a very good account of the expansion of his department, and the statement he made last night contained a great deal of useful information which I did not have, and which I do not believe other members had. But I think we should have had

long ago some sort of statement along the lines I suggest. Our military forces have written a glorious chapter in the story of the war so far; yet no one knows up to the present where Canada was in the desert victory, and it would be interesting to have a statement with regard to the part Canada played in North Africa in that connection.

I suggest also that it would be well to have a statement to clear up certain criticism that has been made with regard to the choice of barracks. As I said three years ago, with reference to the army and the other services, I could not understand then, any more than I can understand now, why certain camps were chosen in locations all over Canada for no military or strategic objective and where it was difficult to obtain water and sewers. I made inquiries in this connection at the session before last, and I was informed that it was the Minister of Munitions and Supply who had to do with the location of those camps. The navy has not as large a number as the other services, but in the choice of barracks in some of the large cities the minister, I am sure, has a great deal of difficulty in getting proper locations for the navy. He must find it difficult in Toronto. It is not very good advertising so far as I can see, although he has an excellent and popular real estate man in Lieutenant-Colonel Goodwin Gibson. In my opinion it is a wrong policy for us to have pages of advertisements in the newspapers displaying some large pictures of establishments like Sir Joseph Flavelle's house, one on Crescent road, and other mansions, when they are having such difficulties in housing the soldiers in the cities. There may be reasons for it which the minister can give; I do not know. Mind you, I am not criticizing the selection; I am simply calling attention to the policy, of our policy for certain of the forces, and no housing for soldiers' families.

I wish to encourage the department in its war effort. I am very much alarmed at what is going on in Canada. I do not like to see the apathy and political ignorance that prevail, as well as the false optimism. We seem to think the war is already won, and as I said the other day, red herrings are being drawn across the trail. You will hear throughout the country, in various public places, in the press, at public meetings and on the radio, suggestions to the effect that we have practically won the war already. Too many people in Canada seem to think there is a short-cut to victory, but there will be no short-cut to the winning of this war. There is no royal road to victory in this war, and we have no reason to expect it as a matter of divine right. We have no right to expect that we shall win by divine right, as is preached from some of the pulpits. It is not going to be an easy task, I can tell you; it is going to become harder all the time. We are now in the very darkest hours of the whole war, and we cannot win except by methods of total war. This is a struggle for the survival of the fittest. The fact is that we must fight through this war to the end; that we must kill Germans, Japs and Italians, with no thought of quarter, or ourselves and our forces be killed. Until the issue is decided, that fact should be dwelt upon by all who speak with authority; we should allow no red herrings of social security to be drawn across the trail to obscure the real issue, for this is a matter of primary importance. There are some people in Canada who in their speeches over the radio and otherwise would lead us to believe that the war will be over soon. Some of our government agencies do the same thing. Our publicity departments repeat the same propaganda cries: "This war is different from the last war", and tell us that non-essential and unimportant things are to play a decisive role. We must remember that the non-military things are secondary. War is war, and these should be faced as primary matters.

We are told that we are not fighting the German people at all, but only a lot of German dictators; we hear about propaganda successes; we are told of the stranglehold of the blockade and things of that kind. Over one and three-quarters million Germans have been killed so far in this war, but the German people as a whole support their leaders 100 per cent and have not changed one bit. In spite of all the damage that has been done by the air force, there is no doubt that we must regain command of the seas before we can embark upon a very large peninsular war, which will have to come before this war is won. No doubt the blockade is a major irritant, but in my opinion it never will be a deciding factor in this war.

There are one or two other matters to which I wish to refer. I do not think enough attention has been paid to the matter of records of the forces in this war. Why, in regard to the navy, the army and the air force we cannot tell to-day how many men have enlisted from any given municipality. The other day the navy minister gave a very fair statement in regard to the chaplain service, but his figures were given in the aggregate; there were no percentages as given by the air and army. When the war is over,

how is a municipality to know what men enlisted there; how is Hamilton or London or Toronto to know? These men in the forces from our cities are enlisting right across Canada. In connection with the victory loan we are told every day how much has been subscribed by each and every municipality in the smaller places throughout the country, but apparently we have no records in connection with enlistments. We can do a great deal to improve the matter of our records. The ministers tell us that it would be necessary to go over all the attestation papers to obtain this information. If that is so, it seems a queer system, a relic of the seven years' war; here we are spending over five billion dollars a year and we cannot tell how many men have enlisted from the various localities I have mentioned, or their names.

Then I fail to see why we should have all these press officers in the three war departments. I do not understand why one or two press officers could not handle all the work in cities like Hamilton and Toronto. I do not understand the reason for the large expenditures and these duplications that have been made in this connection. Yesterday the navy minister covered a great deal of ground in his remarks, and now I find a connection with the other services. Since this war began, there has been dual control as between the civil service commission and the various war departments. For example a return shows that in the air force 5,946 officers were appointed without having worn a uniform previously; they were just glorified civilians. I do not know the figures for the navy. Of course it is a newer organization, and I admit that a great deal of credit must be given for what has so far been accomplished. I believe, however, some solution should be found of this problem. I have another return showing that in the air force in the huts on our waterfront three or four hundred people were brought here from all over Canada, carpenters and all sorts of people, without the civil service commission knowing anything about the matter.

At six o'clock the house took recess.

After Recess

The committee resumed at eight o'clock.

Mr. CHURCH: Mr. Chairman, I would have concluded my moderate remarks before six o'clock, had it not been for the unnecessary interruptions of the minister. May I say regarding him, as I said before, that I have no objection to his department; far from it. I will say this, that before he came into the house I had been a warm supporter of this department, and of rearmament. I never criticized the personnel, or anything like that, at all.

However, I may say that he interrupted me. I was a former chairman of the Toronto harbour board, and it was during that time that the work was begun and completed on the whole waterfront. In addition to that, during the last war, as chairman of the board of police commissioners I insisted on civilian inquests into cases of deaths of soldiers in training in that city, for the protection of the soldiers on land, on sea and in the air, and with good results for recruiting and for the protection of civilian rights in our citizens' army during that war and since.

During the debate to-day the minister asked me if I was aware of what is being done in Britain. I certainly am. I was aware long before he came into the house—about eighteen years before he came to the House of Commons—of what is and was being done on land, sea and in the air in all our empire in this and the last war regarding protection for the soldiers; and I do not need a lecture from him in that connection.

I may say that since the war started I have had on the order paper a resolution for the better care and protection of soldiers, and men in the navy and other branches of the service. I have no personal quarrel with the minister or anyone else. I am told he is a very likeable personality. I do not know him very well. But that is what I have been told, and I believe it. But I will point out to him that, in connection with his department and this matter, I have had on the order paper since the war started a resolution for soldier protection, as follows:

That, in the opinion of this house, the government should immediately consider the advisability and urgent necessity of adopting improved measures for the better protection of all soldiers who serve in His Majesty's forces and more particularly—(a) that a system of life insurance on all soldiers be established to include provision for their dependents both during and after the war; (b) that a daily allowance be made for local car fare and for free fares on Canada's railways under the Railway Act (R.S.C.); (c) provision for a revision and improvement in rates of pay, subsistence and other allowances of all ranks, especially privates and non-commissioned officers and removal of existing inequality between all classes; (d) a high cost of living bonus be paid to all dependents of soldiers adjusted from time to time to include better allowances for all their children; (e) provision for a moratorium from foreclosure, eviction and certain other immunities from debt while absent on war duties and for six months after the war, and more adequate and improved housing for themselves and their families.

The minister is an old soldier, himself; there is no doubt about it. He has had more experience in war than I ever had—unfortunately, and through no fault of mine. But during the last war, and when this one broke out I proposed that a system of life insurance on all soldiers should be established, to include provision for their dependents both during and after the war. The hon. member for Davenport was kind enough when speaking the other night to refer to this fact, and also to many other soldier matters I had introduced into the house since the war first began. I am asking that a daily allowance be made for local carfare, and for free fares on Canada's railways. When I was mayor of Toronto the street railway was not publicly owned, but we persuaded the privately owned system to give free transportation to the soldiers in our city. That is done in many cities in the United States, including Detroit and others. It should be done in Canada.

Then, there should be free fares on the railways. Why not? A return brought down shows that the two railways in Canada made more money out of this war to the end of 1940 —a year and three months—than they made out of the whole four years of the last war, and two years thereafter. Is there any reason why the people of Canada, who own the national railways, should charge soldiers' families $2.05 to go from Camp Borden on a visit to our soldiers, and $1.05 for each child, or over a week's pay?

The other provision I have urged in the house is that provision be made for a revision and improvements in rates of pay, subsistence and other allowances for all ranks, especially privates, and non-commissioned officers, and the removal of existing inequalities between all classes. I have urged, too, that a high cost of living bonus be paid to all dependents of soldiers, to be adjusted from time to time to include better allowances for all their children. Then I have urged that provision be made for a moratorium.

They talk about the Sparkman act! I have correspondence with these various gentlemen at Washington. Some of them came to Toronto in 1940 and saw the late Mr. Thomas Bradshaw and myself about this matter. But the only hon. member who has been kind enough to refer to it was the hon. member for Davenport. We adopted that system in Toronto during the last war. I must admit that three of the defence ministers wrote me letters. The Minister of Pensions and National Health, who has taken a great deal of interest in this subject, wrote a letter, as did the minister for the army, and the ministers for the air force and navy. I might say that the three of them wrote very fine letters to me, after I had sent copies of the act to them, away back last fall, and said most of the provinces had in part Sparkman acts in the last war. We have had this system in Toronto, as the Minister of Pensions and National Health knows, in the last war, in insurance and other protection.

At the time of the last war many of the provinces passed legislation similar to the Sparkman Act, having to do with debts, moratoria and foreclosures. I asked in this resolution for a provision for a moratorium from foreclosure, eviction and certain other immunities from debt while men were absent on war duties, and for six months after the war, and more adequate and improved housing for soldiers and their families.

The minister, who was at one time premier of Nova Scotia, had legislation of that kind in the last war. He is a soldier. I appeal to him to-night, as a minister, to see if we cannot do something about getting a better Sparkman act for all Canada. That legislation was copied in the United States mostly from Canada; the provinces and municipalities had it.

Yesterday the minister referred to the U-boat menace. I am glad to see that the situation in that respect in the Atlantic has improved. I believe it was in 1937, 1938 and 1939 I read in the house a statement of what U-boats had done during the last war. At that time I pointed out the number of sinkings there had been. We nearly lost the last war on account of the situation in the Atlantic. I know something about it, because I was head of a municipality which sent 55,000 soldiers to war. Some of them were on ships that were attacked. At that time the hon. member for Davenport was president of the British Imperial Association in the Earlscourt division, one which sent so many people to that war.

I urged in 1937 and 1938, sitting where the hon. member for Lake Centre sits now, that something be done to solve the question of an empire shipbuilding policy. I urged rearmament and the opening up of all our shipbuilding plants and an all-empire shipping policy for the imperial conference of 1937. I predicted what would happen in this war, and pointed out that Great Britain had more mouths to feed by five million than in 1914 and had fewer ships than she had in 1914. I gave warning of the grave peril and danger we were in. I also have copies of many pages of British newspapers, including the *Times* and many other papers, showing where

ships were sold in Great Britain, including men-of-war and others, for death duties and taxes, or for as little as $50,000.

I call the attention of the committee to the great lakes, and to the Welland canal along which I counted sixty-four ships tied up, with nothing to do. I prophesied the disarmament disaster to come from our pacifism, lack of shipping and all that kind of thing, and called attention to the U-boat menace. The Pacific question has been mentioned before in the house, but for many years I saw the grave danger in the Pacific. In the debates here from 1937 to 1939 I urged the importance of the Pacific to this dominion, and to other countries in the empire, because there can be no such thing as collective security until this war is won. And I can tell you this, I saw Britain and her dominions not only throw away her defences, but also throw away her friends, and to-day we are facing a very powerful enemy—Japan. She has a first-class navy, and always did have.

Without going into a discussion of what has been done, I urged dealing with the grave Pacific situation. The Minister of Pensions and National Health, who was in charge of naval affairs at one time, brought down very moderate estimates. That was done in 1936 and 1937, but he was not supported by some of his own followers in the house. He was right, and I supported him then and always as far as he went. Probably he did not go far enough, but I supported him at any rate. I would say now that in the Pacific we deserve what we get. We refused to face the situation, with the result, as the minister has said, that he had to start off from scratch.

I have nothing further to say, except to mention the explanatory note in connection with my amendment to the Railway Act for free fares, which has been before the house since the war started, and the abolition of the 50-mile bus rule for soldiers. The purpose of the bill is to amend the Railway Act to provide that members of the forces, when in uniform, may be carried free on railway trains within Canada. The same principle as stated therein was set out in a resolution during the first month of the war.

In the last war the railways voluntarily carried men for single fare on week-ends. Now they carry them every day at half rate. The Railway Act does not at present provide for any special concessions to soldiers during the war, nor has the board of transport commissioners power to order it. In view of the fact that so many camps are far away from railways and the distribution of troops for training spread all over Canada, it is desirable to give soldiers some form of free transportation, because a large number have been killed on highways thumbing a ride in many places in Canada while in training.

Mr. MacNICOL: I shall have some questions to ask and some general remarks to make when the details are before the committee, but I rise now principally to express my appreciation as one of the honorary presidents of the Navy League of Canada, Ontario division, for the generous remarks made last evening by the Minister of National Defence for Naval Services commending the navy league. I have been associated with the navy league for a long time. The predecessor of the present minister did not have the same opportunities as the minister has had, but he gave effective assistance to the navy league in the work it was carrying on. But, to my mind, the present minister has been far ahead of any other minister in his efforts to inculcate the spirit of the navy and the love of the sea into the young men of Canada. The results obtained through the navy league have been tremendous.

If my memory serves me aright, the minister said last evening that there were sixty-one navy league corps in Canada, and approximately 10,000 sea cadets in these corps. That is a tremendous advance over any previous time in the history of this country. I can remember in my own time when we did not have more than a dozen corps in operation. However, in those days there were some wonderful corps. Apart from Toronto, which always had a good corps, the Winnipeg corps, for example, was always considered a show corps. They were well trained, well led and did wonderful work. They were sent to many places to demonstrate what could be done.

Through the assistance of the minister the navy league has spread as it never did before. I believe there are some thirty corps in Ontario. I have a list of the names of these corps but, since it would take a little time to read, perhaps I may be permitted to place it on *Hansard*. It will be noticed that each corps is named after a fighting ship. For instance, the Belleville corps is named "The Quinte", and the Port Hope-Cobourg corps is named "The Skeena". The list is as follows:

Sea Cadet Corps

Place	Name
Belleville	The Quinte
Burlington	The Iron Duke
Collingwood	The Hood
Fort William	The Admiral Craddock
Guelph	The Ajax
Hamilton	The Lion
Huntsville	The Lord Jellicoe

Sea Cadet Corps

Place	Name
Kitchener-Waterloo	The Warspite
London	The Courageous
Midland	.....
North Bay	.....
Ottawa	The Sir Francis Drake
Ottawa	The Falkland
Owen Sound	The Dauntless
Pembroke	The Iron Duke
Peterborough	.....
Port Arthur	The Vindictive
Port Hope-Cobourg	The Skeena
St. Catharines	The Renown
St. Thomas	The Admiral Beatty
Sault Ste. Marie	The Royal Sovereign
Stratford	The Royal Oak
Timmins-Porcupine	The Admiral Cunningham
Toronto—2 corps	The Temeraire I and II
Toronto-Riverdale	The Ark Royal
Welland	The Bellerophon
Weston	The Illustrious

I believe that those who read *Hansard* will be pleased to see that these famous names have been given to these sea cadet corps. On December 31, which is the date of the last report I have been able to get, there were 3,200 sea cadets in Ontario. I believe that by the end of the year there will be from 5,000 to 6,000. The Navy League of Canada has increased to a tremendous size. One might say that they are now in big business. Of course, this is largely the result of the war. They have done wonderful work. At Halifax, where the minister comes from, they have put up a recreation centre which is giving excellent service to the sailors and fighting men. They also have a hostel at which meals and rooms can be obtained, as well as supplies of writing paper and books, et cetera. These things have increased as a direct result of the support given by the minister, so that I am very happy to thank him for what he has done in this regard.

In Ontario there are sixty-seven branches in all, but they are not all corps. Practically all the larger towns and cities have corps. What do they do? The department send out instruction books on how to train the boys and give directions along the different lines of naval activity and merchant marine matters. I have just forgotten what the minister said last night, but he gave the number of the thousands of young men who had enlisted after having received training in different branches of the navy league. I am sure that the minister will support me when I say that the navy league has had a great deal to do with the enlistments in the naval service.

One would naturally expect a large number of enlistments from the maritime provinces, from the Pacific coast and also from Ontario and Quebec which are on considerable bodies of water, and there have been. But the great surprise is the results obtained in the western provinces, particularly the land-locked provinces of Saskatchewan and Alberta, in which there are no lakes of any size. They do have a magnificent river there, the Saskatchewan, which I hope to see improved some day. There are no lakes in the southern part of Saskatchewan, although there is one in the north. There is a fine corps in Regina which is well officered. This corps sends out speakers to different centres in the provinces, and I am sure the work they have been doing has done much to encourage enlisting.

While we expect boys from Nova Scotia, Prince Edward Island, New Brunswick, British Columbia, Ontario and Quebec to do big things on the water because they have been brought up close to the water, the surprising thing is what has been done by boys from the prairies, many of whom hardly knew how to row a punt. They have blazoned the skies with the honour and glory of their names because of what they have done on the corvettes and torpedo boats to which they have been assigned. I understand that many of these boys are commanders, and I am sure that what they are doing is a great tribute to the work of the league.

The league has raised a lot of money by means of tag days. Of course this money is given by the people, but it is spent judiciously. I understand that expenditures are audited by government officials. The minister paid a tribute to the league, but I wish to pay a tribute to the men and women who have assisted in making the league what it is. The hon. member for Danforth (Mr. Harris) is the principal officer of the Toronto-Riverdale corps. Here in Ottawa Mr. H. S. Southam and Mr. J. P. Kenny are president and vice-president of the Ottawa corps. I shall not take the time to read the names of the members of the main committee in Toronto. The principal ones are the president, Mr. Gordon C. Leitch, a big businessman, who devotes a great deal of time to seeing that the work of the league is carried on successfully; L. T. Spalding, J. C. M. MacBeth and Frank Trimble. Among the women I might mention Mrs. R. C. Matthews, Mrs. Rooney, Mrs. Ryland H. New, Mrs. J. Bruce MacKinnon, Mrs. Arthur Kirkpatrick and many others, all of whom are doing splendid work. Colonel Arthur Kirkpatrick, one of the police commissioners of Toronto, also takes a big part in the work of the war service branch of the league. So that the minister was right when he praised the navy league for the splendid work it is doing, and the navy league I am

sure in return has been doing its utmost to assist the minister in his work. They send out many comforts, books, magazines, ditty bags and so forth to the men in service. The few words which I have said, and which were inspired by what the minister himself said last night, are my humble tribute to what has been done both by the minister himself and by the navy league.

Mr. MacINNIS: Mr. Chairman, we all listened with great attention to the statement made by the minister last evening. That statement in conjunction with those made by the senior Minister of National Defence and the Minister of National Defence for Air outlined a record of achievement of which I think this house and the country may well be proud. The ministers concerned should feel gratified at the generous reception which their statements have received from the opposition side of the house. There has been, so far as I could observe, very little of what is generally called carping criticism. What criticism there has been has been of certain specific matters, and not at all directed to the whole programme which the ministers outlined.

The work of the navy of which the minister is head is not spectacular. Except when there are major naval engagements the navy is seldom heard of; its work is done quietly and unobtrusively. Nevertheless in this war it has performed a particularly essential service which has been of the greatest value. I felt myself from the time of the fall of France until the drive in North Africa began last November that the work done by the British and Canadian navies and the navies of the united nations had received perhaps less credit than to which they were entitled. The importance of their work was not properly understood or appreciated, and it was difficult to begin making comparisons between the work of the navies and the military effort of some of our allies for fear of creating disharmony and disunity in the ranks of the united nations. However, I think that phase is now passed. Personally I am glad at this time that I have no criticism to offer. I am not competent in the first instance to criticize the work of the minister, and, second, I am glad to say that I have had very few complaints so far as navy personnel and naval matters are concerned.

While we are justified in taking pride in what we have accomplished, we should be careful not to be carried away by these accomplishments but should realize that it was done under the stress of war. In other words, war became the country's great national purpose, and we allowed nothing, lack of money, lack of material or lack of anything else to interfere with that one purpose. Consequently we have performed what we may call a great achievement.

But what I wish to call attention to particularly is that the navy was built for one purpose, namely the winning of the war. After the war is over, we cannot live and prosper by expanding or building greater additions to our navy. The high speed with which we built our great war machines for all our fighting forces should give us pause to think what our productive power will mean to us when the war is over. We should stop to ask ourselves how quickly we can build the capital equipment necessary for the greatest production of consumer goods that we can imagine. That, in my opinion, once we have achieved victory, is what we should be thinking of. I read in a British periodical not so very long ago that two-thirds of the important war instruments which now are part of the equipment of all branches of the fighting forces was not even conceived in the mind of man when the war began.

The hon. member for Swift Current said this afternoon that the greatness of our military power should give us an important voice at the peace conference when that event takes place. There were great powers at the last peace conference, but that did not mean that they could build an enduring peace. Therefore I would say that we have to bring more to a peace conference than merely great military power. The greater the military power we have, the more important it is that we have ideas and ideals, and determination to put them into effect, if we are to build a world in which young men will not in another decade or two have to give their lives in world war No. 3.

When the minister was making his statement last evening, my mind continually went back to the time when so many young men who are now in the navy, and who are now our heroes, could not get sufficient to eat or a place to lay their heads. Unless we take care, when this war is over, these young men, instead of receiving the rewards of their heroism, will be, as too many returned soldiers were after the last war, an embarrassment to the country and a nuisance to themselves. While complimenting the minister and the country on this great achievement of building an efficient naval machine, let us remember that this is not the end; it is only a beginning.

Mr. McGEER: I think we can all join with the minister in the tribute he has paid to the shipbuilders who built the majority of the ships operating in the Canadian naval service to-day and built them substantially

with Canadian materials, and to the men and the officers and the ships they operate. We have some difficulty in appreciating the magnitude of what has been accomplished since this war began. I remember sitting here and listening to tremendous debates when we were determining whether or not we were spending too much in voting $30,000,000 a year for the army, the navy and the air service. I look back on those days with more amazement than comes to me as I hear the statements, by the ministers who have the responsibility of conducting this war, of the magnitude of the operations which they are still developing upon an expanding basis. I agree with the hon. member for Vancouver East that we should not lose sight of the fact that this war has disclosed the power which we as a people possess, and which, if properly used, will forever avert the return to the conditions of unemployment, poverty and misery which existed during the decade that preceded this war. I remember standing in my place in this chamber and saying to my colleagues, when I pleaded that we go on with any number of the millions of jobs for which there was crying need in this country, that if war ever came, the one thing we would find out was that we were not short of money. When you get a Scotsman as minister of naval defence, and he spends without batting an eye $489,000,000 on a naval service which was practically non-existent when he took office, in one year, you can fairly conclude that we were not short of money before he went to work and that certainly we have an abundance of reserves over and above the amount which he is spending. And, at that, he is getting only a small share of what we are spending—$489,000,000 for the navy, $4,600,000,000 for the army and the air force. Why, we were told, when we asked for a few million dollars to build some naval defences upon the Pacific coast and to maintain the nuclei of an army and an air force, that we were going beyond our means because we dared to spend $30,000,000. I hope the Canadian people will never forget this lesson or permit the government to forget it. "Where is the money coming from?" I used to hear. I hope we shall never hear that kind of nonsense again.

While I am on my feet may I draw attention to the fact that I was one of those who advocated the public ownership of the Bank of Canada, and I was told that that was heresy, and dangerous. I said that we ought to have our own bank and issue our own money. "Why", they said, "that is 'funny money'; you will wreck the economy of the nation." Do you know what we are doing to-day? We own the Bank of Canada; we have a thousand million dollars of our own securities in that bank, and in exchange for those securities we have a thousand million dollars of Bank of Canada bills operating in this nation, unsecured by gold, and operating as debt-free money. A great many of my colleagues, apparently, are as yet unaware of that fact, because there are some other features which indicate that we have not yet come to realize that the power which is in that new technique is, after all, the basis of the power we are able to demonstrate in these reports from the ministers of national defence.

I wish to pay a tribute to the Minister of National Defence for Naval Services, and to congratulate the government upon the selection of a man from the maritimes to administer our naval service during this war.

I often think I am one of the luckiest of men, because I happen to have been born in Winnipeg; I was taken to the Pacific coast of Canada when I was less than a year old, and I had the privilege of living in the maritimes and getting some of the education which they dispense on that coast.

An hon. MEMBER: You got your start in Winnipeg.

Mr. McGEER: I went both ways and I did not miss anything.

An hon. MEMBER: You got the continuation in Quebec.

Mr. McGEER: I had the privilege of visiting in Quebec, too. There is something about those who live on the seacoasts of Canada that gives them an understanding and appreciation of the motto that stands over the portals of this parliament building:

> The wholesome sea is at her gates,
> Her gates both east and west.

Sometimes, in this canoe-minded atmosphere of Ottawa, and in the pervading activity of the attitude of the great lakes, which was so completely hypnotized by the pacific influences of the Rush-Bagot treaty of 1817, Ottawa has forgotten that there is such a thing as a Pacific or an Atlantic ocean. The hon. member for Comox-Alberni (Mr. Neill) says, "hear, hear." Well, of course, he has had the same experience that I have had; but we have been awakened by this war to the fact that the sea is still the greatest of Canada's highways and the greatest of Canada's securities. It is sometimes a matter of wonderment that we should have ever forgotten in the Dominion of Canada the value of the sea to us and the importance, the growing importance, that it has always played and will ever continue to play in the life of the Canadian people.

I believe it was away back in 1789 that a former officer of the British navy reported to the British government that the Spaniards on the Pacific coast of Vancouver island had captured his ship, put him in prison and driven him off a piece of land on Nootka sound. It was as a result of that incident that England and Spain nearly went to war. A settlement was arrived at, and Captain George Vancouver was commissioned by the British government to go out to Nootka sound and take over that land. Quadra came up from California and offered to Vancouver the bare piece of land upon which Meares had erected a cabin. It was because Vancouver refused that settlement and proceeded to survey the whole coastline of what is now British Columbia, and a part of the United States and Alaska, that we from Canada's Pacific shores have the privilege of living as we do in the best country in the world; and more than that; in the best part of the best country in the world.

I congratulate the minister upon the leadership he has given and upon the fact that he is just as conscious of the importance of the Pacific ocean to the dominion as he is of the Atlantic. On the Pacific coast he has placed Canada's naval college; there he is building the foundation for a Pacific navy which will join with the United States in its operations and give to us not only future security but participation in an expansion during the post-war period over the Pacific area which I believe will be infinitely greater than the expansion that will take place across the Atlantic.

When we come to a recognition that this great naval achievement should take place under a Liberal administration conducting war, it may not be unfair to recall something of what Liberalism has always had in the way of a conception of what Canada's naval policy should be. I know that in laying foundations for the growth and development of a nation, its naval policy and its relations within an empire, there are always many things upon which men equally intelligent and equally loyal can disagree. Time alone can pass judgment upon such controversies, and to-day I believe in the development of our naval programme we are finding experience passing judgment upon the naval policy as it was laid down thirty-three years ago in this house in the naval bill of 1910.

After outlining at that time the naval service contemplated in that bill, which meant the establishment of a Canadian navy, to be owned, operated and controlled by the government responsible to the Canadian people, Sir Wilfrid Laurier said—I am quoting from *Hansard* at page 1736 of January 12, 1910:

[Mr. McGeer.]

The question arose as to what should be the extent and character of the fleet to be created in the beginning. Two plans were proposed and discussed, one involving the expenditure of $2,000,000 a year and the other involving the expenditure of $3,000,000 a year. The first one would have consisted of 7 ships; the second one would have consisted of 11 ships, namely, 4 Bristols, 1 Boadicea and 6 destroyers. We have determined to accept the second proposition, that is to say, the larger one of 11 ships.

And on page 1837:

The total cost of these eleven ships will be, according to the British figures, £2,338,000, or a little more than $11,000,000. According to Canadian prices, supposing the ships were to be built in Canada, we would have to add at least thirty-three per cent to the cost just given. I may say that it is our intention to start at the earliest possible moment with the construction of this fleet, and if possible, to have the construction done in Canada. These, Mr. Speaker, are the explanations I have to give upon this occasion, in introducing this bill, of which I now beg to move the first reading.

Of course, at that time they said we could not build ships in Canada; we could not use Canadian metals; we could not use Canadian coal; we could not develop a shipbuilding programme without spending too much money. Arguments raged across the country as to the folly of Canada trying to build naval ships. But there was another issue that has also been tested out in this war, as it was tested out in the last, and it was this. I quote again the words of Sir Wilfrid Laurier, at page 1733:

Coming now to the service which will be required from the force, "active service", as defined by the act, means service or duty during an emergency, and "emergency" means war, invasion or insurrection, real or apprehended.

The act provides also that at any time, when the governor in council deems it advisable, in case of war, invasion or insurrection, the force may be called into active service. There is also an important provision to which I at once call the attention of the house, that while the naval force is to be under the control of the Canadian government, and more directly under the control of the Department of Marine, yet in case of emergency the governor in council may place at the disposal of His Majesty for general service in the royal navy the naval service or any part thereof and any ships or vessels of the naval service and any officers or men serving on these vessels or any officers or men of the naval service. There is a subsequent provision that, if such action is taken by the governor in council at a time when parliament is not sitting, parliament shall immediately be called. This provision is taken from the Militia Act and reads as follows:

Then he quotes the section. Then Sir George Foster asked:

In that connection, would the right hon. gentleman give us the clause that defines "emergency"?

Sir Wilfrid Laurier: It is the clause taken from the Militia Act:

"Emergency means war, invasion, riot or insurrection, real or apprehended".

And, as I have already stated, in case of emergency the governor in council may exercise the power of calling out the naval force to be placed at the disposal of His Majesty, the only restriction being that parliament is to be immediately summoned.

Mr. Sproule: Is the "war" referred to war in any part of the empire or in Canada only?

Sir Wilfrid Laurier: War everywhere. When Britain is at war, Canada is at war; there is no distinction. If Great Britain, to which we are subject, is at war with any nation, Canada becomes liable to invasion, and so Canada is at war.

An election was fought upon that issue, that we should not have our own Canadian navy; that we should not build it, and that if we did anything of the kind it might mean that we would not associate with the British empire when the empire was at war. What happened? One of the striking statements made by the British foreign secretary when he spoke from the floor of this house not long ago was a tribute to the empire. That tribute was because of this fact, that when Britain declared war Australia, New Zealand, South Africa and the Dominion of Canada were at war at one and the same time. The policy of Sir Wilfrid Laurier, the policy of the Liberal party of 1910, was vindicated in 1914 under a Conservative regime, and more than vindicated in 1939 under a Liberal administration. Upon those issues there is no party cleavage in the Dominion of Canada. Never again, Mr. Chairman, should there be party cleavage in regard to the development and maintenance of the strength of Canada's naval forces and merchant marine services.

I am going to make a suggestion, because I think we should keep in mind the history of the British empire. It was my good fortune to be chief magistrate of the city of Vancouver when we celebrated our golden jubilee by erecting a new city hall. From its very inception our city was named after George Vancouver; and the proudest moment of my life came when I introduced the Lord Mayor of London, who unveiled a monument at the portal of our city hall to Captain George Vancouver, to whom we western Canadians on the Pacific owe so much. I often think of what a tribute it was to the British empire and to the British people, who have always moved forward, conquering not to master but conquering always to save, when Sir Wilfrid Laurier said:

England has proved at all times that she can fight her own battles, but if the day were ever to come when England was in danger, let the bugle sound, let the fire be lit on the hills, and in all parts of the colonies, though we might not be able to do much, whatever we can do shall be done by the colonies to help her.

The sun in his daily career does not shed his light upon any people on the face of the earth enjoying more liberty than my countrymen of French extraction. And my last words to the doubters, to the scoffers, is that freedom is worth fighting for and worth dying for.

That was a tribute to the British empire by a French-Canadian, and it stands now alongside the great tributes that have been paid by the Prime Minister of South Africa, the Right Hon. Jan Smuts, a South African Dutchman who spent his young manhood in fighting the British forces.

Well, that day when England was in danger did come. None of us has forgotten the dark days when England stood beleaguered in her island home and Churchill came forward to demonstrate that England in danger is England at her best. Will anyone ever forget when he sent this message to the world:

We shall fight on to the end. ... we shall never surrender. And even if, which I do not for a moment believe, this island or a large part of it were subjugated and starving, then our empire beyond the seas, armed and guarded by the British fleet, will carry on its struggle until in God's good time the new world with all its power and might sets forth to the liberation and rescue of the old.

It should have been a proud day for every Canadian when the Prime Minister of this nation heard Winston Churchill tell him of the magnificent service that Canada had rendered in men, food and ships, without which England could not have carried on; and his declaration that as a result of that effort Canada had become the lynchpin between the peoples of the United States and those of the British empire. We in our naval achievements are making history for future generations that is comparable with the history we inherited. That inspiration that we have taken from the history which is ours gives us faith that we can see through troubles of the direst kind and meet dangers with a confidence that we can overcome them, no matter what they are.

In conclusion, I wish only to say this, and I hope it will register with my colleagues in this house. The idea came to me from some remarks that were made by an hon. member on the other side, who referred to the statement made by the former prime minister of Australia, Mr. Menzies. There is no need for believing that we are going to come out of this war poor. Any poverty that is imposed upon us by this war can be none other than an artificial poverty, from which we have suffered in the past, and we should have done away with artificial poverty for all time to come.

We are one of the richest nations in the world, and we shall be enriched by the effort we are putting forth in this terrific struggle.

Our capacity to produce must be the measure of our capacity to distribute, and not our capacity to finance. Men must come before money.

And I offer this thought upon that issue: If we can spend five thousand million dollars on war; if we can give out of our goods and services the value of a thousand million dollars to England—which we did, and rightly, too—and distribute a thousand million dollars of war aid among our allies—and if that is not all the surplus we have, we should distribute more—then we ought to be able to do something better than $20 a month as an old-age pension for our own people of advanced age.

May I suggest to the minister that our naval service in the light of the achievements he has disclosed should be guaranteed against what happened after the last war. We want no post-war collapse in our naval or marine power this time. As a precaution against that possibility I suggest that we recast sections 7 and 8 of our Naval Service Act, and I offer this as a magna charta for Canada's naval service, as a reward for the achievements the naval service has accomplished in the last four years, under its able minister. I would amend the Naval Service Act of 1910 by recasting sections 7 and 8 into the following sections:

It is necessary for the nation's defence and development of its foreign and domestic commerce that the Dominion of Canada shall have a naval service and merchant marine.

(a) Sufficient to carry and protect its domestic waterborne commerce and a substantial portion of the waterborne export and import foreign commerce of the dominion, and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign waterborne commerce at all times,

(b) capable of serving as a powerful arm of defence in time of war or national emergency,

(c) owned and operated under the Canadian flag by the government and citizens of Canada, and

(d) composed of the best-equipped, safest, and most suitable types of vessels, constructed and equipped in Canada from Canadian materials, in so far as may be practicable and manned with a trained and efficient citizen personnel.

It is hereby declared to be the policy of the Dominion of Canada to foster the development and encourage the maintenance of such a naval service and merchant marine.

7a. The minister shall have the control and management of all naval affairs, including the purchase, maintenance and repair of the ordnance, ammunition, arms, armouries, stores, munitions, and habiliments of war intended for the use of the naval service.

7b. The minister shall have the control and management including the construction, purchase, maintenance and repair, of naval establishments and of ships and other vessels for the naval service.

7c. The minister shall have and exercise such control and management including the design, construction, aid to construction, purchase, maintenance and repair including operation and aid to operation of shipbuilding establishments and all ships and other vessels for the merchant marine as the Governor General in council may authorize from time to time.

[Mr. McGeer.]

What does that mean? It simply means that Canada must have ships, and have the best of ships. It means that the men in the mines of Nova Scotia, Ontario, British Columbia and other provinces will dig the metals and coal to build them. Others will drill for oil and cut the timber required. In a hundred cities and towns, men and women will form the plates, engines, gears and equipment and proudly build and launch them to their service on the sea.

Notwithstanding the fact that long since Canada has attained a ranking position among the leading maritime trading nations of the world, and has attained the position of fourth or fifth as a maritime trading nation, we allowed our merchant marine to disappear, and allowed our navy to die in its infancy from malnutrition.

Our Canadian boys were virtually denied the fulfilment of the dream that every British youngster has of some time sailing the seven seas under the flag of their own beloved land. But the seagoing career of the Canadian boy of the future should now be forever assured, from what has now been done under the far-sighted naval policy of 1910. And we certainly on this side of the house should not forget that everything that has been achieved in the naval programme, which has been so ably prosecuted by the minister and his officers and men, has been achieved under the naval bill of 1910, which has hardly been amended since it was enacted.

Yes, the experience which we have had since 1910, and the achievements which we have accomplished have demonstrated what can be accomplished in the future. Of course other nations may be able to build cheaper ships. They may be able to man them and operate them cheaper; but we, by maintaining a policy of cooperation between the government and the merchant marine services, can maintain upon the seas the same high standard of wages and the same high standard of living that we maintain along with the United States upon this continent, for our people.

After the last war we made a feeble attempt to establish a merchant marine. We allowed it to die, because we could not make any money out of it. How much did it cost us to build what we had thrown away, when we needed it in the war? What kind of economy was that?

Yes; Canadians can build a naval force with our own men out of our own materials. We can build a merchant marine, and we can go to work, produce and develop the cargoes. We can use Canadian dollars not only to take those cargoes to our shore lines, but to take them in our boats to the end of the line of distribution, and return. And if we do not do so, we shall find ourselves unable to compete in world trade with those nations which are going to do it.

Experience has taught us that as part of the British empire we must provide our own navy, and that we must provide part of the merchant marine which the empire requires. The magna charta for the Canadian navy I am now suggesting guarantees that we shall never again be short of naval strength or merchant marine service. In addition to that, if we carry out our policy, and prosecute it with the same intelligence and vigour with which we have prosecuted our war effort in this crisis, we shall find that "the wholesome seas are at our gates, our gates both east and west," is a message which will help us to go to work in the world with effectiveness when we stop fighting one another, and proceed to the business of feeding one another, on a better basis.

I congratulate the minister upon the magnificent work he has done since he took over his difficult office. While I appreciate the great work done by men of the army, I remember the days of the depression, when everyone was looking for a little bit of that $30,000,000 a year we were voting so hesitatingly. I remember when the present Minister of National War Services (Mr. LaFlèche) was deputy minister of national defence and when men like Major General Stuart and Crerar, Worthington and Sanson were wondering whether they had made a terrible mistake by adopting the career of the professional soldier. But they carried on, and Canada's army is a tribute to the men of the permanent service who never lost faith in their careers.

I remember the air force when there were such men as Air Marshal Breadner, Johnson and Croil and a number of others who were carrying on under the inspiration of the work of Billy Bishop and other heroic Canadians who had left behind them a tradition upon which Canada's marvellous air force is riding the skies to-day. But there was another group. There was Rear Admiral Nelles, Admiral Jones, and Murray and Brodeur. Incidentally I may say that Sir Wilfrid Laurier was not the only great French-Canadian who participated in the introduction of the Naval Service Act of 1910. The minister under whom it was introduced was the Hon. Mr. Brodeur, the father of the present naval attache of this country at Washington.

While the army maintained something of its strength; while it had the traditions of the last war; while the air force had the good fortune to be associated in the great British empire training scheme, our navy in this war travelled alone as a Canadian institution. Starting from scratch it has created a record upon its own bottoms, which I think is the proper naval term. Because of the ability which it has proven it made a contribution that has been a blessing to the cause of freedom throughout the world and has given to Canada a tradition that should ever make us true to the history of the people of both our great races, because both French-Canadians and Anglo-Canadians have always lived and thrived by and on the sea.

Let us never become canoe-minded again. Let us move forward and be true to our traditions, knowing that we are a great maritime power, that we are a two-ocean nation; with the arctic developing the way it is, are, may I say, a three-ocean nation. Let us not forget these lessons we have learned, and then there will be no need to fear poverty after the close of this war. We shall never need even to think that there ever will be misery and unemployment again in our land.

Mr. McIVOR: I should like to say just a brief word even though I was not born at Halifax, Vancouver or Winnipeg. I was born and I am still living, for which I am thankful. I appreciated very much the introduction the minister gave to the work of his department. I thought it was well done. He did not have an Irish accent, but he had the next best. His address was not so technical that an ordinary man like myself could not understand it. As I listened to the hon. member for Vancouver-Burrard (Mr. McGeer), I quite realized why he was able to stand on his own feet and express himself as forcefully as he did. Through hearsay I heard something of his dad when I first came to Winnipeg in 1894. The hon. member is a son of a man who could take care of himself. He got a splendid start in life and I am sure that he is living up to the start that his dad gave him.

I agreed with him thoroughly when he described the times through which we went and how difficult it was to get money. I was serving in the branch of a church the officers of which gave me permission to allow men to enter the boiler room to sleep overnight. One winter we averaged seven a night, and

we did not always have to give them porridge and toast the next morning because many of them had left. I have no patience with the clergyman or with the member of parliament or with any Christian man who says one thing and does another. I should like to think that I shall be spared to live until after this war is over. If I am, I shall be just as keen as any man in this house to see that fair play is done to every citizen of this country, that he will have a chance to earn his bread in an honest way. If he is not willing to work, then he will be put to work under other circumstances so that he may earn his keep.

The reason why I rose to speak to-night was the suggestion made by the hon. member for Swift Current (Mr. Graham) about the naming of vessels after certain places. There is a corvette called the *Fort William,* and of course that is always music in my ears. The men and women of Fort William vied with each other to equip this boat and I never saw finer stuff given to any group of men. The crew appreciated it very much. I am hoping that some day the corvette *Fort William* will be able to equal in valour the corvette which was named after our sister city of Port Arthur.

The crew of that corvette must think always of the son of our Minister of Munitions and Supply—William Hastings Howe. He is an officer in the navy who distinguished himself, but who nearly lost his life in action. We people at the head of the lakes also think of what the Minister of Munitions and Supply went through himself. I am sure that quite often when he sits in comfort, has enough to eat and enough clothes to cover himself, he must feel chills running through his body in memory of that eight-hour ride on the open sea. I know the crew of the corvette *Port Arthur* must think of what nearly happened to the Minister of Munitions and Supply and what a loss it would have been to all Canada. They must think of the near call that both father and son had. They must remember when the minister's assistant, Gordon Scott, lost his life. With that memory in their minds I can see the crew of the *Port Arthur* jumping into their outfits when a submarine came within hailing distance and blowing it to Palestine.

We in Fort William have paid our respects in every possible way to the crew of the *Port Arthur.* It is an advantage to call a ship after a city or town. Of course, we at the head of the lakes think we are the hub of Canada, but other people may not think so. We think that our young men from the head of the lakes who have joined the navy are second to none. I went over to the Port Arthur navy headquarters one day to see if there was an opportunity of a young man getting into the navy there and I found that four hundred local boys were already on the waiting list. I remember getting a letter from a boy who went over and he said, "Reverend Dan, we are just giving the enemy the same thing we said we would do for you when you were in the sub-box leading the hockey team. We give them everything we have." So that you can see what happened to that submarine when the *Port Arthur* struck it. The *Port Arthur* sent her sky-high.

Mr. DUPUIS: Mr. Chairman, I am anxious to say a few words concerning the illuminating and remarkable report made yesterday by the minister for naval services. He has told us that our navy, which at the beginning of the war consisted of about fifteen ships, has attained the remarkable growth of now numbering five hundred, while the crew which numbered about 1,700 at the start of the war has grown to 60,000. The minister added, not without pride, that he expects that by the end of next year the numbers of our crew will be equal to those of the British navy at the beginning of the war.

Before going any further I wish to pay my compliments to the hon. member for Vancouver-Burrard upon his remarkable speech. In everything he said about the navy I am pleased to concur. The dream of Laurier is now realized through the energy and good administration of our distinguished minister for naval services. I am sure that if Laurier were still living he would be proud of him just as he would be proud of the Canadian nation to-day. I am proud myself of my country. If Canada had attained the position she enjoyed in foreign trade at the beginning of this war, it was due in large measure to the protection of the British navy on the seven seas of the world. Since we may claim to be an independent nation; according to the statute of Westminster; since we have now attained manhood, nationally speaking, I think it is our duty to see that we build according to the expectations of a sound and healthy people. The hon. minister in doing what he has done for our Canadian navy has accomplished deeds which will lead us to that realization.

It was a very good idea of the minister and his staff to give the names of our towns and counties to corvettes and other ships of our Canadian navy. I am pleased to mention, as the previous speaker, the hon. member for Fort William did, that a corvette has been named after the town and county

of Chambly, which I have the honour to represent in this house. The corvette *Chambly* has accomplished many great deeds in the battle of the Atlantic. May I be allowed to mention one remarkable deed which the corvette *Chambly* accomplished in cooperation with the corvette *Moose Jaw;* that means that Quebec joined Saskatchewan in fighting the U-boat. They attacked a submarine and captured all its German crew. This heroic deed has been recognized and rewarded by granting to the commanding officer Prentiss the Distinguished Service Order of the British Empire. The men of our Canadian navy, it seems to me, have the real spirit of the men of the sea, as naval men are known the world over among nations whose navies travel the sealanes of the world. They are humble men and consider they are just doing their ordinary duty in gallantly fighting the enemy in this war. To give an illustration, may I quote from a letter which my wife received from the commanding officer of the corvette *Chambly,* thanking her and the women of my constituency for what they have done for the crew of that ship. I quote in part:

I am sorry that we are not in a place where you and Mr. Dupuis could visit the *Chambly* corvette and see for yourself the ship named after your town and county. I am sure that you would be as proud of her as we are. We have a fine bunch of men manning her. I could not ask for a keener or a better crew in any way. *Chambly* has steamed many miles since she was commissioned, all of which time I have served in her. Her tasks have been many and varied, often arduous, as they will continue to be till the war is won. We would not ask anything else.

I may be excused for having taken the time of the committee to recount these facts to hon. members from all across this country. *Chambly* corvette is only one ship of our Canadian navy; many other ships are fighting the good fight to-day and expecting, as this commanding officer says in his letter, to win the war, and, indeed, being sure they will win it. Such a spirit deserves, I believe, to be mentioned, and it is for this reason that I asked the privilege of saying a few words.

Item agreed to.

2. Pay and allowances, $89,565,119.

Mr. STIRLING: Would the minister see fit now to reply to some of the questions and suggestions made to him?

Mr. MACDONALD (Kingston City): I intended to do that. I will take first the questions asked last evening by the hon. member for St. John-Albert.

He asked in the first place for detailed particulars of the manner in which the amounts listed under the eleven heads of the estimates of last year had been spent. I shall be glad to give this to the committee now, and I may say that the reason for changing the manner of presenting the estimates was a desire to make it a little easier for members of the committee to follow the estimates of the three armed services. It will be noted that each of the armed services this year follows the same general statement with respect to the amounts required; they are divided in each case into thirteen items, and that plan was adopted in order that hon. members might compare the expenditure in one service with that in another.

To return to the first question asked by the hon. member for St. John-Albert; he gave the committee the items as presented in last year's estimates and, as I understand it, wanted to know what the comparative items for this year would be had we followed the same system. I shall give him now the items and figures on the basis he mentioned:

1. Civil salaries and wages.....	$ 6,192,054
2. Pay and allowances.....	89,565,119
3. Travel and transportation....	5,793,460

Mr. STIRLING: Is the difference in that one the addition of freight this year? The amount is $5,700,000 as against $6,900,000.

Mr. MACDONALD (Kingston City): It is partly due to the fact that last year travel and transportation stood alone; freight was charged in to the cost of the goods. This year freight is added, and that makes a very considerable difference; but in addition to that the amount required for travel and transportation is larger, on account of the increased personnel. I will continue:

4. Operating expenses of properties	$ 2,724,350
5. Ships: acquisition by purchase, construction, charters, repairs and upkeep.....	167,571,202
6. Equipment division components:	

These are not figured on at all this year, because that matter is now attended to by the purchasing branch of the Department of Munitions and Supply.

7. Purchase of new machinery and repairs to buildings and machinery.....	$ 1,674,000
8. Buildings: acquisition, construction and purchase and rental of land and buildings	35,952,187
9. Stores, equipment and supplies	119,749,920
10. Armament stores.....	56,661,438
11. Sundries	3,261,237

My hon. friend asked me in the second place to what were the increases or advances in the items due. I would say in a general

way that all the increases are due to the increased size of the service. The service has doubled in men and the number of ships has greatly increased; also the number of shore properties—barracks, buildings of one sort and another, mess rooms, wharves and the like—have increased. Without going into any greater particulars, that is the cause of the very considerable increase in the estimates for this year.

He then wanted to know how many persons were employed at headquarters; how many were employed in each province; how much was spent in each province on salaries and wages, and similar information with regard to the United States and Great Britain. I cannot give my hon. friend the information in the exact form that he requests, but I shall do the best I can.

The total number of civil servants employed in the department at the end of the last fiscal year was 3,915; that is, for Canada. These were divided as follows by provinces:

Ontario	1,648
Quebec	121
New Brunswick	53
Nova Scotia	1,342
British Columbia	749
Alberta	1
Saskatchewan	0
Manitoba	1

Outside Canada there were employed:

United States	1
Newfoundland	240
Great Britain	0

My hon. friend wanted to know what salaries and wages were paid. I cannot give him this in the exact form that he desires, but I can tell him this. At headquarters, which includes all of Ontario, Alberta and part of Quebec, the total amount spent in salaries of civil servants was $1,994,000, in round figures. On the west coast, which includes British Columbia, the amount spent in civil servants' salaries was $528,000. On the east coast, which includes New Brunswick, Nova Scotia, Prince Edward Island and part of Quebec, the amount spent in civil servants' salaries was $1,491,000; and in Newfoundland the amount spent was $145,000.

My hon. friend wanted to know the number of civilian personnel and the number of naval personnel employed in the publicity department as well as their travelling and other expenses. I have it, but I cannot lay my hand on it at the moment. However, I will get it before the sitting is over. In the meantime, I pass on to the next point which he made this afternoon and which was with regard to living conditions of petty officers and men in Newfoundland.

[Mr. A. L. Macdonald.]

The hon. member declared that quarters there were very poor, very difficult to obtain and very expensive, and I have no doubt that to a large extent he is correct. We have some 1,500 men in Newfoundland who are not provided by the navy with sleeping and messing quarters. I may say that all the work done at St. John's, Newfoundland, is done for the account of the British admiralty, though done under the supervision of the Canadian navy and by Canadian contractors. We do nothing there without having first obtained the consent and approval of the British admiralty. It is absolutely impossible for us, in a place such as St. John's, Newfoundland, to get buildings put up in time to house all the men.

I agree at once with my hon. friend, or with any other hon. member, who says that all the men should be housed. I agree with that entirely and we are making every effort to do that; but we have not been able to do it in the city of Halifax where we have some thousands of men still not quartered and not fed by the navy. We have not been able to do it in St. John's, but we are making every effort to overtake that condition as far and as quickly as we can.

My hon. friend then went on to speak of the amount of money spent in Nova Scotia as compared with the amount spent in New Brunswick. He said that Nova Scotia had received a share out of all proportion to its share in Canada's war effort. I must say, Mr. Chairman, that I regret very much the practice of endeavouring to allot war moneys according to sectional or provincial boundaries, without regard to the real merits and facts of the case. My hon. friend knows quite well, I am sure, that for nearly 200 years the city of Halifax has been a great naval base. It was established as a naval base by the British government in 1749, and ever since that time Halifax has been looked upon as the main British naval base or the main Canadian naval base, as time went on, in America.

The headquarters of the Canadian navy on the east coast have always been there, and it is only natural therefore that there should be a very considerable naval building programme in the city of Halifax in this war. It is also only natural that the outports near Halifax should receive some attention, because the matter of supervision is quite important, and it is much more convenient—to put it only on that ground—to have an outport at Lunenburg or Liverpool, 75 or 100 miles away from Halifax, than to have one 300 or 400 or 500 miles away in some other province.

While Deep Brook in Digby county, where there is a very considerable development in process of construction, is in the constituency of the Minister of Finance (Mr. Ilsley), I am bound to say, and I ought to say in justice to him, that not on a single occasion did the Minister of Finance ask that that development be placed there. The Deep Brook development and every other development that has taken place in eastern Canada, in western Canada, or in any other part of the world for that matter, have been undertaken on the advice and with the approval of the technical advisers of the department for naval services, the chief of naval staff, and his subordinates.

I can assure my hon. friend the member for St. John-Albert that it is not a matter of the Minister of Transport failing in his duty or of the Minister of Finance having an excess of zeal. That is not the way the department for naval services is run. Neither gentlemen has made representations to me, either for the province of Nova Scotia or for the province of New Brunswick. Each of them has taken the correct course and said, "Let those undertakings, those buildings and wharves and whatever else is needed in the way of naval development be placed where they can best serve the war effort." That is the stand that these gentlemen have taken, and I think it is a sounder stand than this attempt to total up figures showing that Nova Scotia has received $29,000,000 in the way of land and buildings and New Brunswick, $19,000. Alberta and Saskatchewan, those inland provinces, obviously cannot share to the same extent as the coastal provinces, if that is to be the basis. The only possible way in which they might share would be in the operation of two buildings in each province, where the naval volunteer divisions would be housed. They can have no wharves, no breakwaters, no marine railways or dry docks. So that I repeat that to attempt to divide this dominion into certain zones, to reckon up the money spent in each and to say that because not so much has been spent here as there, therefore there is something wrong with the attitude of the department for naval services, I think is an incorrect stand to take.

Then my hon. friend asked about certain contracts contemplated in the province of New Brunswick, particularly I think in and around the city of Saint John. The hon. gentleman knows that in a certain part of northern New Brunswick, at an inland point, there is quite an extensive development in the way of a magazine. At Coverdale, near Moncton, a contract has been let at a cost of $141,000, for a barracks and station. I think the hon. gentleman asked for the name of the contractors; in this case they are the firm of Forbes and Sloat. A contract has been let also at Saint John, New Brunswick, for the construction of certain buildings for the naval station at a cost of $329,000. That contract was awarded to M. A. Condon and Son on May 29. I might add that there has been some little difficulty in getting that work started, because one of the properties necessary to be had in order to erect these buildings has been very difficult to obtain. There has been difficulty in reaching any agreement with the owners, and probably it will be necessary for the department to take expropriation proceedings. In addition, plans are being prepared for the construction of an annex or addition to the present volunteer divisional quarters on Prince William street. I think all that building will be leased with the exception of the lower floor and perhaps the sub-basement, and some property adjoining will be obtained from the Canadian National railways on which will be erected a drill shed and sleeping quarters for the housing of approximately 130 men. In addition, certain mooring buoys will be laid in the harbour of Saint John which I think when in position will cost something over $100,000.

My hon. friend then went on to ask about travel and transportation, whether men are given free transportation when they are on leave, and I think he particularly inquired about men who return from foreign service, such as service in the Mediterranean. I may tell the hon. gentleman that men who return from foreign service are given free transportation, according to Canadian naval regulations. My hon. friend has asked whether the whole amount estimated for travel and transportation will be spent in Canada; whether it is all for railway travel, or whether some is for air and water travel, and how much in each case. I can say to my hon. friend that this amount provides for travel by rail, air and water. At the moment I cannot give him an analysis showing the amounts to be spent for travel on or in each of these elements. He wanted also to know which companies received the money paid for transportation. The amounts paid for railway transportation have been divided between the Canadian National Railways and the Canadian Pacific Railway. For travel the Canadian National received $1,499,000 and the Canadian Pacific $1,167,000; for freight, the Canadian National, $773,000, and

the Canadian Pacific, $119,000; for express, the Canadian National, $151,000, and the Canadian Pacific, $23,000.

Then my hon. friend wanted to know if the insurance principle applied to men serving in Canada or the waters thereof. My hon. friend the Minister of Pensions and National Health directed my attention to section 2, paragraph (o) (iii) of the act, which provides:

> in the case of the naval, military or air forces during the war with the German reich, service on the high seas, in the field or in the air in any place outside Canada; or service in Canada, in such coastal or inland waters, or in such localities, whether in the field or in the air, as may from time to time be designated by the governor in council. . . .

—shall be considered to be service in a theatre of actual war. Therefore I should say that a member of the Canadian naval service injured or killed in the coastal waters of Canada, on board a Canadian ship of war, would come under the application of the so-called insurance principle.

To return to the question about naval information, the particulars of which I now have under my hand, I may tell the hon. member for St. John-Albert that the civilian staff of the directorate includes the director himself and seven female clerks and stenographers. The director receives a salary of $4,500 a year and expenses. In the last year, which was not a complete year, his living expenses amounted to $568 and his travelling expenses to $95. The other members of the civilian staff are paid according to the civil service schedule. The total salaries of these others for the last fiscal year amounted to $10,523. The uniformed personnel of the directorate are as follows:

In British Columbia, Lieutenant Tate, who is in uniform and receives the pay and allowances of his rank.

In Ontario, Lieutenant Commander Strange; Lieutenant G. Richardson; Lieutenant Phillip Lee; Lieutenant K. Fosberry; Lieutenant J. Trepanier; Sub-Lieutenant Newton; Acting-Lieutenant Fyfe; Sub-Lieutenant Burwash and Sub-Lieutenant Willis, all of whom are in Ontario, and receive the pay and allowances of their rank. In addition there are two "Wrens", members of the Women's Royal Canadian Naval Service, who are employed at information headquarters in Ottawa.

In Nova Scotia there are Acting-Lieutenant Commander G. A. Lawrence and Lieutenant W. Slater, who receive the pay of their rank.

In Newfoundland is Lieutenant Shaw, who receives the pay of his rank.

In the United Kingdom are Lieutenant Commander Bartlett, Sub-Lieutenant McRitchie and Sub-Lieutenant Keate, all of whom receive the pay of their rank.

I believe those are all the questions asked by the hon. member for St. John-Albert, although I believe he has some to ask later on.

Then, dealing with the question asked by the hon. member for Laval-Two Mountains: The hon. member raised the question of the closing of the St. Lawrence. May I say in the first place that the St. Lawrence is not closed to traffic. I must point out, however, that the eastern Atlantic ports of Canada are considerably nearer the United Kingdom than are the cities of Montreal and Quebec. There is a difference of some hundreds of miles in the distance between Montreal and Liverpool, for instance, and that between Halifax and Liverpool. And in a war, where we must traverse dangerous waters, the natural inclination is to shorten as greatly as possible the distance to be travelled by water. Consequently, in some cases at any rate, it is desirable to have a larger proportion of shipments from Canada leaving eastern Atlantic ports than would otherwise be the case. Furthermore, ships can make more trips by sailing from Halifax to United Kingdom ports and back again, than they could if they sailed from Montreal. There is a quicker turn-around, as it is called in shipping circles.

But there is no question that traffic will be moving in the St. Lawrence, perhaps not in as great volume as in certain other years, but nevertheless in very considerable volume.

Then, the hon. member for Yale asked about expenditures for capital assistance, and wanted to know why this should be charged to the navy, as was indicated in a return tabled last year. I have not any recollection of the particular return the hon. member has in mind, but I may say it is not the practice to charge capital assistance to the Department of National Defence for Naval Services. Such assistance is provided by the Department of Munitions and Supply. It may be, however, that under the item of equipment and components in last year's estimates something was charged to the Department of National Defence for Naval Services. Whether that was done incorrectly, I am not sure; but I can tell my hon. friend that that practice is not continuing.

Then, a question was asked as to the age at which the boys may leave sea cadet units. Sea cadet regulations provide that the ages shall be between twelve and eighteen years. I understand that certain corps in different parts of the country have their own ideas about age limits. Some are inclined to admit the boys immediately upon their reaching the

age of twelve years, while others feel the boys should not be admitted until they are fourteen or fifteen years old. Some, I believe, want the boys to leave at the age of seventeen years instead of eighteen. That is a matter in respect of which there is some leeway allowed the corps. But the regulations do provide that boys may remain in the corps until they reach the age of eighteen, at which time they are old enough to join the Royal Canadian Navy. I may tell my hon. friend there is no entry into the Royal Canadian Navy at the moment for boy seamen, and I do not think there have been any entries since the beginning of the war.

Then, the hon. member wanted to know whether we have something in Canada like the royal naval benevolent trust. We have the royal Canadian naval benevolent fund. Whether it is exactly like the royal navy trust, I cannot say. No contribution is required from the men in connection with our fund, but a certain amount of unclaimed prize money, and certain other moneys contributed by various naval canteens have been put into the fund, which now amounts to a good many thousands of dollars, and which sum has been invested carefully, mostly I believe in victory bonds.

Mr. STIRLING: How is it used?

Mr. MACDONALD (Kingston City): No money has been paid out of this fund, as I understand it, up to date.

Mr. STIRLING: It is a new fund, is it?

Mr. MACDONALD (Kingston City): I think the prize fund is a carry-over from the last war. This unclaimed prize money, together with certain other funds, including canteen funds, some time after the beginning of this war was put into the Royal Canadian Navy benevolent fund. I understand from the authorities of the fund that nothing has been paid out, and that during the war it may not be necessary to pay any out. After the war, when men may find themselves in somewhat straitened circumstances, the real need for the fund may be felt.

Then, the hon. member asked a question about the air officer commanding at Halifax, and whether he was under the naval commander in chief. That is a difficult question to answer. The title of Admiral Murray, the naval officer, is that of Commander-in-Chief, Canadian Northwest Atlantic. The title of the air officer is that of Air Officer Commanding. I should think that without any great argument between the two of them as to seniority they will get along very well, Admiral Murray taking general charge of all anti-submarine activity, and the air officer taking charge of air activities over the sea.

Then the hon. member asked about Squadron Leader Desloges, who has been given certain duties in the St. Lawrence area. I can say that Squadron Leader Desloges is not in charge of any naval force. He is more in the nature of a liaison officer between the armed services—the navy, air and army—on the one hand, and the civilian defence corps, provincial police and other civilian services of that sort on the other.

The next question was with reference to categories on enlistment. We have certain people who are not fit for general duty but who are able to undertake certain other duties. We now have a special branch which employs some men who are not fit for sea duty for one reason or another. Then there is a shore branch where we employ sailmakers, blacksmiths and the like. We take them in up to sixty years of age, which is far beyond the age which would entitle them to enter for sea service.

Mr. STIRLING: Would the minister deal with the point I raised with regard to the four methods of entry for ratings? I did not quite follow the way it has been worked out.

Mr. MACDONALD (Kingston City): I was referring to the four methods of training. My hon. friend used the expression "entry". There are not four methods of entry. The common method of entry is through the divisions. Men are also recruited at Halifax or Sydney or Esquimalt.

Mr. STIRLING: Through the R.C.N.V.R.?

Mr. MACDONALD (Kingston City): Yes.

Mr. STIRLING: And then sent to training?

Mr. MACDONALD (Kingston City): Yes. They may be sent to university for a course in radio or to a technical school for a course as stoker; some may go to ships and so on.

Mr. STIRLING: Could the minister deal with the question of deductions in pay, if any?

Mr. MACDONALD (Kingston City): I have asked for some information on that, but I am sorry I have not received it. Perhaps I should not attempt to reply before I get it. My impression is that there are no deductions except where an income tax might be exigible, which would not happen in many cases, and such deductions as a man might make to his wife and so on. I will make sure on that point and let my hon. friend know to-morrow.

I wish to thank the hon. member for

Davenport (Mr. MacNicol) and other members who have been kind enough to speak well of the Canadian navy and the work it is doing. I want also to say a word, perhaps not quite in the same spirit, about the hon. member for Broadview (Mr. Church). In spite of what the hon. member said this afternoon and this evening about his great friendship for me personally and his great regard for the navy, it is difficult for me to reconcile these statements with others he has made from time to time in this house. My hon. friend's references to the Canadian navy go back a good many years.

In 1926 the house was discussing the procedure to be followed in ratifying treaties. The question was whether the procedure which had been recommended by the imperial conference of 1923 should be adopted by the parliament of Canada. The hon. member for Broadview—at that time he represented Toronto North West—took a very strong stand on the matter. He said that Sir John A. Macdonald had been satisfied with the status of Canada; that the soldiers who had died in France and Flanders were satisfied with it, and then he went on to say, as reported at page 4787 of *Hansard:*

> Talk about Canada being independent, . . . Why if we were independent a foreign fleet might sail up the St. Lawrence and we would not have as much as a rowboat to oppose it because our toy navy is locked up in a garage at Halifax.

Two years later, the hon. member was speaking on February 1, 1928, and is reported at pages 103 and 104 of *Hansard* as follows:

> We have a contemptible little navy which hugs the shores, never leaves our coasts and for the past year has been locked up in a garage at Halifax.

Then he went on, as reported at page 106—

Mr. GRAYDON: Was that denied?

Mr. MACDONALD (Kingston City): How can it be denied? It is in *Hansard.*

Mr. GRAYDON: I am not talking about his denial.

Mr. MACDONALD (Kingston City): I quote from page 106 as follows:

> Then I come to the Department of National Defence.

The department was then administered by the hon. gentleman who is now Minister of National Defence (Mr. Ralston).

> The minister of this department is also actively engaged in putting the Liberal party on the map, and the returned men off the map. I suppose he intends to unlock the door of the garage at Halifax and let our navy run up and down the coast. But really I hope he will not send the boat out to sea . . . for I am afraid it is not a seaworthy craft.

The gem of the whole collection, although it is not strictly to the point of naval matters, is to be found at page 107 where the hon. member is reported as having delivered himself in this most remarkable manner:

> Now, Mr. Speaker, I think I have talked—and also thought—for nearly forty minutes. Not every member can think for that period of time. But I have only dealt with the fringe of my subject. I am not supposed to be the leader but I have said more than the Prime Minister uttered during the three and a half hours that he held the floor.

That was 1928. I pass on to 1940.

Mr. GRAYDON: Who was Prime Minister then?

Mr. MACDONALD (Kingston City): The present Prime Minister, and if he lives I have no doubt he will be Prime Minister fifteen years from now.

Mr. GRAYDON: I hope that your prophecies on naval matters are better than that.

Mr. MACDONALD (Kingston City): I pass over the other years and come to 1940. On November 22 of that year the hon. member for Cumberland (Mr. Black) asked a question, as reported at pages 336 and 337 of *Hansard,* about the establishment of a naval college. The hon. member for Victoria, B.C. (Mr. Mayhew) had been quoted in a newspaper as having stated that the naval college would be established on the Pacific coast, and the hon. member for Cumberland wished to know whether it was to be established there or in Nova Scotia. The hon. member for Broadview then leaped to his feet and asked me as Minister of National Defence for Naval Services if in the future, I would give information to the house about the establishment of such an institution before it was disclosed to the newspapers over the head and against the regular practice of parliament. I had made no statement whatever about the college except to say that no site had been selected. The hon. member for Broadview then asked if the British admiralty had been consulted, implying that we did not have the power to erect a naval college in Canada at the place and time we wished. He then went on with a very gratuitous jibe at an officer of the navy named Lieutenant Farrow, who had been director of publicity for the navy but who at that time I think was serving at sea with the Canadian navy. My hon. friend apparently never liked this officer for some reason or

another, because he frequently asked questions about him, and his final compliment to the college was to say:

I suppose the minister will announce the appointment of Lieutenant Farrow as commandant of the college.

Then I turn to 1942, May 13, page 2391 of *Hansard*. There was some discussion that day about sinkings in the St. Lawrence. My hon. friend the member for Broadview said in a none too complimentary voice:

Where was your navy when all this was going on in the St. Lawrence?

Then on the 16th of July—I have not the exact date but it was about the middle of July, 1942—at a time when I was at a shipyard in Ontario which had been burned out with the loss of one ship and the partial loss of another, and when I was endeavouring to make arrangements with other shipbuilders around there to come to the assistance of this yard which has been destroyed, at that very moment when I was there the hon. member for Broadview asked some question in the house of the department for naval services. The Prime Minister replied that I would be back in a day or two and would answer it then, and my hon. friend's friendship for me manifested itself by saying:

He ought to be here.

I notice that my hon. friend is very rarely in his seat on Monday afternoon and for a good part of Friday afternoon, but when I was out trying to straighten out a shipyard in distress —I am glad to say that the boat builders rallied magnificently—that is the sort of thanks I get from the hon. member for Broadview.

Mr. JOHNSTON (Bow River): On a point of order, Mr. Chairman, I hate to interrupt the minister in this little political wrangle he is having across the floor with members of the Progressive Conservative party, but if I were to go back to 1908 and dig up things in *Hansard* and bring them before the committee on this item for pay and allowances I am wondering if you would grant me the same privilege as the minister is enjoying. It is just holding up the committee and I am getting sick of listening to this kind of talk.

Mr. GARDINER: Not half as sick as we have been listening to you.

The CHAIRMAN: On the point of order, we called an item this afternoon, and a lot of latitude has been given since the estimates for naval defence came before the committee. I believe that the same latitude has been maintained up to this minute as we are giving to the minister.

Mr. MACDONALD (Kingston City): I am not going to deal with the point of order, Mr. Chairman, but should like to make one or two further references.

On the 17th of March of this year—if the hon. member for Bow River wants recent occurrences, this is one that happened this session—the hon. member for Broadview said:

Will the minister make a statement about the escort strength? We seem to have been trusting to Providence more than the Canadian navy.

This is the kind of statement by the hon. member for Broadview to which I object, and I say that I am not for one moment misled by statements such as he made this afternoon to the effect that he was a great friend of mine and of the Canadian navy and that he had urged rearmament for the last twenty years, because the statements I have just quoted indicate that he is not a friend certainly of the minister or of the minister who occupied the position of Minister of National Defence some fifteen years ago.

My hon. friend asked a further question this afternoon. It was a complaint rather than a question, and the gist of it was that the enlisted man in Canada loses his civilian status whereas in Britain, Australia and New Zealand he retains it, and has all the rights of protection based on the liberty of the subject. He went on to indicate that the enlisted man in Canada lost those rights and could not even write to his own member of parliament if he had a complaint to make. I tried to correct my hon. friend at the time, but the leader of the opposition became very technical and did not want any interruptions. I wanted to tell the hon. member for Broadview that I was not aware of any difference whatever between the rules governing the Canadian serviceman and the serviceman in Great Britain. In fact I knew that all our King's Regulations and Admiralty Instructions for the army, navy and air force were based and drawn very largely upon the regulations in force in Great Britain for the particular service. I am supported in that by section 13 of King's Regulations and Admiralty Instructions, which reads as follows:

No person in the fleet is to enter into direct communication with any service or department of the state or with any subordinate officer of such service or department, at home or abroad, on subjects connected with the naval service or with his particular duties or present or future employment, unless authorized to do so by the regulations of the service or superior authority; but all communications on such subjects are to be made through the proper channels to the admiralty or to the commanders in chief abroad, in order that such steps may be taken therein as may be necessary.

That I interpret to mean quite clearly that a man in the fleet in Great Britain is not at complete liberty to write at any time he wishes to anybody to whom he wishes to write, but is bound and controlled by this article of the King's Regulations and Admiralty Instructions, and that is exactly the same article which governs and controls the actions of Canadian sailors.

Mr. ROY (Translation): Mr. Chairman, as I represent the constituency, bordering on the gulf of St. Lawrence, where we suffered heavy losses in ships during the past year, I was pleased to hear the statement which the Prime Minister made to the house this afternoon regarding the policy which the government proposes to adopt with a view to ensure better protection to the gulf this year.

When I fought last year, as the committee no doubt remembers, for improvements in our protection system, I was sure, as a result of the disasters which had unfortunately occurred in the gulf, that the three branches of the national defence, could, under better leadership, and with closer cooperation, afford us more efficient protection; I was sure that we were exposed to serious dangers in that connection and that our area was the one where the enemy menace was the greatest.

I have no doubt that the population scattered on the shores of the river and the gulf will generously support the fulfilment of that defence programme, and, if need be, help to preserve the integrity of our national territory, even if it should entail the greatest sacrifices. Besides, those people had realized long ago that the situation was fraught with serious dangers. I was sure, when I discussed those matters in the house and was confronted with opposition on all sides, that I was voicing such fears, which have clearly stood out in the Charlevoix-Saguenay election.

Our people knew that had the battle of the Atlantic taken a more favourable turn for the enemy, the latter could easily have driven an attack inland through that wide open gateway.

For those reasons, I was glad to hear the statement of the policy which the government proposes to adopt in order to afford to that part of our country a better protection which, undoubtedly, will give very good results and restore confidence in the minds of the people.

In conclusion, I wish to express the hope that during the present navigation season, with all those protective measures and the general support of the civil population of Gaspé, we shall not have to deplore disasters like those which occurred last year.

[Mr. A. L. Macdonald.]

Mr. POULIOT: In the first place I wish to congratulate very sincerely the hon. member for Vegreville and the hon. member for St. John-Albert, who spoke very well this afternoon. I could not be here all the time, but I listened to their speeches with deep interest, and what they said was worthy of note. With regard to the hon. member for Broadview, I do not think the minister is right in giving him the cold shoulder when he showed such a friendly disposition.

This afternoon I listened with great attention to the Prime Minister while he read his statement. It is an important statement because it recognized the valiant and courageous efforts in this chamber of the hon. member for Gaspe (Mr. Roy), and it was also a recognition of the true significance of the by-election in which the hon. member for Charlevoix-Saguenay (Mr. Dorion) was returned last fall. For a time the hon. member for Gaspé was almost alone in bringing to the attention of the government matters of defence, not only of the territory he represents here, but of the whole country; and although he has not been given all that he asked, I give credit to the government for admitting that it is a pressing matter and that something should be done. What was mentioned by the Prime Minister this afternoon was the civilian defence, the extension of the aircraft detection; also he said that planes would be in readiness and telephone lines would be open for urgent calls.

The purpose of the mobilization act was one month of training, extended to all, and if I remember what was said to me at the time, the idea was to have a force disseminated throughout the country in order to repel any invasion by an enemy. The late Mr. Lapointe, and the hon. member for Richelieu-Vercheres (Mr. Cardin), who was then a member of the cabinet, spoke on this line, and the fall of France made possible an attack from Germany or some other enemy. It meant that after the fall of France this country was more exposed to invasion, and therefore men should be on the spot ready to repel invasion. Well, afterwards it was changed and now we have recourse to civilian defence. But if the Pulhems system is put into force, and if the army keeps not only the physically fit men, but all the others, placed in different categories, who will form the civilian defence?

The minister said that defence should not be organized on the same lines as public works, which are distributed throughout the country. I agree with him to a certain extent; but on the other hand, if our country is exposed, where will be the invasion if we are to be invaded by an enemy? No one knows. I

hope that this country will not be invaded, but if the enemy decides to come here, where will he attack? No one knows. In the United States there is coast protection from Maine South to Florida, and as the minister well knows, they have 700,000 volunteers who search the sky for aeroplanes and have powerful projectors operating in the sky, on the sea and on the land. They do things very well there, and, even though we may not wish to follow all that is done in the United States, there are examples which it would be wise for us to follow.

There is another consideration. It is, that when the Canadian people show good will with regard to enlistments, as they do in my county, and with regard to subscriptions to victory loans, the amounts of which were always oversubscribed, although incomes are much reduced, it has to be taken into consideration, and these fellows want to see the colour of the money, not to derive any personal benefit but to be assured of reasonable protection. If we tell Canadian citizens, "this country is well defended," and then we add, "Look around and see if you are satisfied with it," and they see nothing, the answer is clear. They are not satisfied. They want adequate protection.

There must be cooperation between the three branches of the armed forces. The minister represents the naval services; there is also the air defence and the militia; and all three should work together. We need camps at different places. It is a mistake to have camps which are too large; it is good to have camps disseminated throughout the country. I have been insisting for a long time that there should be a training centre at Rivière du Loup; it is a much better place than even Montmagny or Rimouski. One camp was established at Montmagny, thirty miles from Quebec city, and the other one at Rimouski. Why should there be a camp at Rivière du Loup? For this simple reason, that there is close connection between the St. Lawrence river and the United States throughout the county of Témiscouata from north to south, and it is an old military route. It was built by the Royal Engineers at the time of the Fenian raid, and when the minister or any minister speaks of modern experts he might bear in mind that this road was built by experts who had as much knowledge of military business as those of to-day, if not more. It was to connect the United States and Canada. Very often I have asked the Minister of National Defence to see to it that that route is broadened and rebuilt to be serviceable for military purposes, and I have always been listened to with a deaf ear. I am not referring in this connection to the minister for naval services.

In case of invasion, if it comes to the east, this is the nearest approach by road and rail from the United States. It is a small railway which operates there, but we need improvements to that highway and they should be carried out by the defence department. For three or four years, in fact for many years, I have been advocating that. I took it up with the Minister of Labour before the war. The present Minister of Labour (Mr. Mitchell) can see the memoranda which I sent to his predecessor, who was afterwards Minister of National Defence and who died too early. I am sure that if the Hon. Mr. Rogers had lived a little longer, that route would have been widened and rebuilt by his own department.

That route is essential because, if this country becomes a theatre of war; if the enemy comes here, the railways may not be sufficient to transport all that we need. We may need transport by truck and, in fact, when there are military trucks that go to Halifax or Saint John, they pass over that highway, route No. 2. Now there is very little tourist traffic, and I suggest that it is time to do that work and to see to it that we have every facility extended to us for the improvement of our defence.

The third point is that we need some navy boats on the river at Rivière du Loup. The nearest point is Rimouski, a distance of sixty miles. Rivière du Loup is in front of the Saguenay river on the opposite shore of the river, and it would form a good base for some boats. Besides that, we have a naval college in the province of Quebec at St. Hyacinthe near a muddy river, a river in which there is very little water. There is more mud than water. I do not see why such a college is not near the St. Lawrence river. We shall need also an airport and some men to protect the railways and the railway approaches and bridges. That means that a great deal will have to be done, but it cannot be done by the civilian protection alone. It needs the cooperation of all men of good-will, who are ready to admit that eastern Canada is a part of Canada. That is all we want. I have been insisting on that year after year. Never, however, did I have a favourable report. I succeeded in having the engineer of the Department of Transport come to Témiscouata county in 1940, but he came early in the spring when the roads and the fields were covered with snow and it was hard to find a proper location for an airport. I do not see why that part of Canada should not be

entitled to an airport. It would afford excellent facilities to all Royal Canadian Air Force men who come to that district.

The defence of this country will not be effected by order in council; it must be carried out on the spot. There are things that appeal to common sense, things which cannot be denied. They must be admitted. Our people are willing to do their share and they are doing it very well, but they need that protection to which they are entitled as Canadian citizens.

Again I congratulate very warmly the hon. member for Gaspé upon what he has done in the past, and I am ready to admit that in very large part what has been decided is due to his painstaking efforts. I also congratulate the hon. member for Charlevoix-Saguenay upon his election, which was an eye-opener. Let me assure the minister that I do not approach this question of defence from any parochial point of view, but I want the country well defended. When my hon. friends from British Columbia argued their case—and they did it very well—I supported them, and I am ready to support any request they make for their part of the country. On the other hand, we want their support for eastern Canada as well. I hope that the fears which have been entertained, and which were justified to a large extent, will not materialize and that the enemy will not come to our shores. But the fact is that the enemy came within the St. Lawrence river, and I hope that the order in council which was read this afternoon was not passed simply to appease eastern Canadians who were not satisfied with the way in which the defence was organized in past years.

In conclusion, there are two questions I wish to ask the minister. There are interchangeable heads in the defence department, and I understand that the Minister of National Defence is first of the war ministers and that the minister for air is his associate. I wonder if the minister for naval services has something to do with the other two departments. If so, I would be thankful if he would say what it is.

There is another thing. Some time ago it was mentioned in the press that there would be ten parliamentary assistants. Some of them have been appointed. I do not know the number, but I do know that there are not ten. I should like to know something about this without having any names mentioned. One of our colleagues has been mentioned as assistant to the minister and he is very worthy of that honour, if I may so describe it. He could discharge the duties very well. I wonder why the minister does not have a parliamentary assistant just as there are parliamentary assistants for the Minister of National Defence and the Minister of National Defence for Air. The Minister for Naval Services may say that his budget is less than the budgets of the others. That is true, but his budget this year is as much as the whole of the civil estimates in a year before the war. I wonder if the minister will not have a parliamentary assistant in the near future. I do not wish him to disclose the name of the one who will be chosen.

Mr. GRAYDON: Does the hon. member think it will be the hon. member for Broadview?

Mr. POULIOT: It could have been possible until the minister spoke, because the hon. member for Broadview was in a very friendly mood, but I do not know what will be his disposition following the words of the minister. Let me tell the minister something else in regard to the hon. member for Broadview and himself. This discussion is not a matter of friendship; it is not a matter of saying, "After you, my dear Alphonse; after you, my dear Gaston." It is a matter of very serious business; it is the very serious matter of the defence of this country. Sometimes we may disagree with the minister, but there is no man more broad-minded than the hon. member for Broadview. While I often disagree with him on public matters, I have the highest regard for the hon. gentleman, and I can say that he is one of my very best friends. One has only to go to Toronto to see how popular he is with everyone, particularly with the underprivileged man about whom no one thinks.

The matter is very simple. The minister cannot expect hon. members to discuss such serious matters, matters of life and death, from a sentimental point of view. I am against sentiment in war. We must be matter of fact; we must get down to brass tacks; we must see to it that the country suffers as little as possible. The minister occupies an important post but, like all of us, he is only a man and a man can make mistakes. Because mistakes are made at times; because a member makes some remarks that may not please at the time, he should not be considered unfriendly. Having said that, Mr. Chairman, I hope the minister will take my remarks into consideration, for I shall have to repeat them when the bill is under consideration if no progress is made in regard to the matters I have mentioned.

Mr. MACDONALD (Kingston City): My hon. friend has asked two questions. The first was whether I have anything to do with the other two departments of defence. The statute provides that if one minister of defence is absent, one of the two remaining ministers acts in his behalf and with his authority, while, if two are absent, the remaining minister acts in behalf of those two. Otherwise the positions are not interchangeable. Of course there is very full consultation between the three defence ministers; at meetings of defence council, which are also attended by the chiefs of staff and the deputy ministers, and again at meetings of the war committee of the cabinet, which are attended by the three defence ministers as well as the Prime Minister and certain other members of the government.

The second question was why no parliamentary assistant has been appointed. My hon. friend knows very well that with such a tremendous surplus of excellent material on this side of the house, including the hon. member for Témiscouata, it is very difficult to select an assistant. I have not made any decision on the question as to who should be selected or whether anyone should be selected. Of course the matter is one for the Prime Minister as well as the minister directly concerned.

Mr. CHURCH: I regret to have to rise to a question of privilege, Mr. Chairman. I understand that in my absence from the chamber to-night, after having offered some constructive criticism, the minister insulted me and the whole opposition. After all, the opposition have some rights in this honourable house, and I object to that sort of thing. I never said that I was a friend of the minister; I do not know him well enough to be a friend. All I have done is humbly to do my duty as a member of parliament, and I certainly have something to say about a spendthrift department like this. It should be put back where it was under the army; there was no necessity for the creation of this department. It has been nothing but a sink-hole for the country's money, half a billion dollars, and I object to it. I have taken a consistent stand in this house for rearmament, and I know no friends except it be my duty as a member of parliament. I do object to a new minister lecturing the committee in this way. I shall read his remarks in *Hansard* to-morrow morning and make my reply later.

Mr. MACDONALD (Kingston City): We shall await that with great interest; my hon. friend has plenty of time to prepare replies.

Mr. CHURCH: I ask for a retraction by the minister, and I can tell him that I am going to discuss every item of his estimates. I have no quarrel with him or his department at all, but I have contended that while there should be an air department there was no necessity for the creation of this department, the expenditures of which are going up by leaps and bounds. I do wish to follow along the line of the remarks of the hon. member for Témiscouata, but the Toronto *Star* has published another report in regard to the speeches made in this house. I have not occupied one-half the time they said. I have discussed public affairs here fairly and squarely, in a decent and honourable manner; I have made no attacks upon the government or upon any minister. I have done my duty in this house as a gentleman, and I do not intend to be lectured by a newcomer from the maritime provinces. That may go in the Nova Scotia legislature, but so far as I am concerned it will not go another day in this house. The minister represents a constituency in Ontario, but so far as I can see Ontario has not been given fair treatment.

I have no wish to further take part in this debate. I believe I have done my duty as a member of parliament in calling the attention of the house and the country to these expenditures. I have supported rearmament; I have supported the navy; I have supported the action that has been taken by the government. I do not seek any quarrel with the minister. He is a newcomer; all I know about him is what I see of him over there, but he has no business to make remarks about me in my absence. I never said I was a friend of his. A member of parliament must do his duty. Criticism is a tonic which stirs governments to action, and, so far as I can see, the only action we have had has come as a result of criticism from this side of the house. I know no friendship except my duty to the returned men, and I do regret that personalities should enter into this debate. This is no place for them; this conflict is too serious for matters of that description. The minister has so many press agents who infest the newspaper offices that I fail to see where we are getting value for the money, and I am only one member of the opposition.

It is eleven o'clock, Mr. Chairman. I do not wish to offer any further criticism, but I can only repeat that I have no quarrel with the minister at all, and no desire except to do my duty.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Wednesday, June 9, 1943

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

RIDING MOUNTAIN NATIONAL PARK—CUTTING OF FUEL WOOD

Mr. MacKENZIE (Neepawa):

1. How many cords of fuel wood were cut in Riding Mountain national park for each of the months, March, April, and May, 1943, and how much of this cut is for use within the park?

2. How much of this work was done by alternative service labour?

3. How many alternative service men were employed at fuel wood cutting during each of the above months?

4. Were any alternative service men employed at other work in the park during above months? If so, how many?

Mr. CRERAR:

1. Amount of cordwood cut

Month	Under settlers permit	A.S.W. Operation
	Cords	Cords
February	2,304	374½
March	2,235	625½
April	679	425
May	603	264
	5,821	1,689

No material cut for park use.
1,689 cords available for sale.

2. Answered by No. 1.

3. Employment of A. S. Workers

Month	Total Strength	Projects on which employed: Fuelwood	Fire Protection
February	27	27	—
March	48	48	—
April	37	37	—
May	35	20	15

4. All employed on fuelwood cutting with exception of fifteen in May on fire protection.

SUGAR FOR CANNING PURPOSES

Mr. REID:

1. Is the amount of sugar to be allowed for canning purposes the same for all cities?

2. Is the amount of sugar to be allowed for canning purposes the same in all rural districts?

3. If different quantities or amounts of sugar for canning purposes are being allowed for different cities or rural districts, what are the reasons for the different quotas set?

[Mr. Church.]

4. What is the total amount of sugar for canning purposes being allotted for Canada and, (a) what is the amount allotted for each province; (b) the per capita amount of sugar allotted for each province?

Mr. ABBOTT:

1, 2 and 3. Applications which were received for sugar for home canning amounted to more than twice the available supply. The board therefore proceeded to make an allocation to each territory covered by a local ration board based on the number of applications from that territory. Each local ration board was then advised of the total amount of sugar which would be available for its territory and was asked to make such distribution as appeared equitable under all circumstances.

It was pointed out that in some areas it might be appropriate to draw a distinction between urban and rural areas, while in other areas a standard allocation to all applicants might be more equitable. The decision in each individual territory was left with the Local Ration Board concerned which accounts for the differences in actual distribution which is made in the various areas.

4. (a) The total amount of sugar for canning purposes to be allotted for Canada is 100,000,000 pounds of which 99,383,000 pounds was distributed pro rata among the provinces as follows,

Prince Edward Island	825,475
Nova Scotia	4,418,900
New Brunswick	3,552,100
Quebec	25,644,400
Ontario	34,807,400
Manitoba	7,291,825
Saskatchewan	8,211,600
Alberta	7,350,900
British Columbia	7,280,400
Total	99,383,000

The remaining 617,000 pounds were held in reserve and have since been distributed.

(b) The sugar allocated each province is not on a per capita basis but on a per application basis and was approximately 11 pounds per application.

CANADIAN ARMED FORCES—LIFE INSURANCE

Mr. HATFIELD:

1. What insurance is offered to the members of our armed forces?

2. What amount of insurance is offered?

3. Who pays the premium?

4. How much is the premium?

Mr. ABBOTT:

1. That made available by the various insurance companies.

2. Such amount as appears applicable in the circumstances.

3. The insured.

4. The amount of the premium varies according to age and plan.

CANADIAN FLAG

Mr. LaCROIX (Quebec-Montmorency):

What steps does the government intend to take to put an end to the deplorable condition of affairs arising from the fact that in all countries of the world Canada is the only one which does not possess a flag?

Mr. MACKENZIE KING: This question alleges a fact which I do not think can be established. In the first place, it is not true that Canada does not possess a flag. In the second place, I am far from sure that it can be said that the existing condition is a deplorable condition of affairs. I do not think the question merits an answer in the form in which it appears.

Question dropped.

CIVIL SERVICE—ADVISORY COMMITTEE

Mr. McILRAITH:

1. Has a report been made by the advisory committee under the chairmanship of Mr. H. J. Coon and set up by order in council P.C. 2-584?

2. To whom was this report made, and when?

3. Will the report be tabled or otherwise published?

Mr. ABBOTT:

1. Yes.

2. To the treasury board, on March 17, 1943.

3. No.

CONFERENCE ON INDUSTRIAL RECREATION

Mr. MacINNIS:

1. Did the Minister of Labour call a national conference on industrial recreation on or about April 9?

2. What recommendations were made to the Minister of Labour by this conference?

3. What action has been taken by the Minister of Labour in regard to these recommendations?

Mr. MITCHELL:

1. Yes.

2. Recommendations:

(1) Purpose: The purpose of a plan for recreation should be the provision of a programme of intrinsic worth to the individual, as well as to provide greater assurance of maintaining interest in production work on the part of the worker.

(2) Pattern of organization: National advisory committee, provincial advisory committees, regional and local committees. Properly qualified paid personnel appointed to undertake the work of promoting recreational plans on national, provincial, regional and local levels.

(3) Finances: There should be a four-way financial participation—workers, management, recreation councils or organizations, federal and provincial governments.

(4) Personnel: There should be provision made for training personnel, if the need arises.

(5) Facilities: Basic facilities already established in communities should be made available wherever required. Existing facilities should be fully used.

(6) Programme: The programme should be sufficiently flexible and diversified to meet the needs of the workers and their families. Industry should be urged to develop recreational programmes within the plant when such programmes are advantageous.

(7) Recreational programmes should be a community development within the areas where the establishment of war industries has created an urgent need.

3. An order in council, P.C. 4703, dated June 8, 1943, has been passed under authority of the War Measures Act authorizing the Minister of Labour to enter into agreement with provinces or municipalities to provide recreational facilities for war workers, and for an equitable sharing of costs by the dominion.

JAPANESE NATIONALS—STRIKE AT THUNDER RIVER, B.C.

Mr. NEILL:

1. Is the press report of a sit-down strike of about 100 Japanese at Thunder River, British Columbia, correct?

2. If so, what are the particulars?

3. What were the alleged grievances?

4. How long did the strike last?

5. What were the terms of settlement?

Mr. CRERAR:

1, 2 and 3. There was such a strike. The facts are briefly as follows:

On May 25 some 90 Japanese at the Thunder River camp, Yellowhead-Blue River highway project went on a sit-down strike alleging insufficient nourishment and lack of rice, jam, canned fruits and fresh vegetables. They complained of a shortage of meat and asked camp authorities to guarantee there would be no delays in meat shipments. They also expressed dissatisfaction that a doctor was not resident at the camp nor a hospital established there. The engineer in charge of the project met a Japanese committee, heard their complaints and explained difficulties of food supplies and general rationing.

4. May 25 to June 2.

5. As the Japanese at this camp were being treated in the same manner and receiving the same kinds and quantities of food as those in other camps, no changes were made in the rations or in camp regulations. The Japanese on strike returned to their work when they found there was no justification for their demands. They were not paid wages during the time they were on strike.

DOMINION GOVERNMENT ANNUITIES

Mr. WINKLER:

1. By years, how many dominion government annuities were bought in 1935, 1936, 1937, 1938, 1939, 1940, 1941, and 1942?

2. By years, what was the total in dollars for these annuities for the same period?

Mr. MITCHELL:

1. Individual contracts and certificates.—1935, 3,930; 1936, 6,357; 1937, 7,806; 1938, 5,724; 1939, 8,518; 1940, 9,014; 1941, 11,994; 1942, 8,593.

2. Net receipts under all contracts.—1935, $13,376,400.02; 1936, $21,281,981.31; 1937, $23,614,823.95; 1938, $13,550,483.22; 1939, $18,189,318.98; 1940, $20,001,533.26; 1941, $18,803,645.27; 1942, $19,630,644.58.

STORAGE OF GOODS IN OGDEN POINT, B.C., PIER WAREHOUSE

Mr. FRASER (Peterborough West):

1. Has the government goods in storage at the Ogden point pier warehouse, Victoria?
2. If so, of what do the goods consist?
3. How long have they been in storage?
4. Will they be released for use by the armed forces in Canada, or for civilian use?

Mr. MACDONALD (Halifax): The questions arise out of a news item in the *Globe and Mail* which was read in the house by the hon. member for Peterborough West on Friday last.

In July, 1942, the Canadian Red Cross was offered cargo space for a large shipment of relief supplies to the far east. The vessel which was chartered by the American Red Cross Society was expected to sail in a few days.

Because of the large quantities to be shipped and the limited time, the Canadian Red Cross was not able to handle the shipment alone and most of the Canadian supplies were furnished by the Department of National Defence to the Canadian Red Cross for forwarding.

By the most strenuous efforts the supplies were procured, shipped to San Francisco and loaded on to the vessel only to find that the United States government could not get a safe conduct for her from the Japanese government. The supplies had, therefore, to be unloaded. The part of the shipment owned by national defence was shipped to Victoria, placed in storage at Ogden pier and held intact in storage until the middle of January, 1943.

When it became evident that no means of transport under safe conduct was in sight, the part of the supplies that consisted of perishable foodstuffs was at once turned over to all arms of the service in the Pacific command for issue in the usual way. The balance of the foodstuffs was subsequently absorbed in the same way. Nothing was lost.

The only portions of the national defence supplies still held in storage at Ogden pier are clothing and a small quantity of medical supplies and these will be returned to stock and used by the armed forces.

CANADIAN FORCES—UNIVERSITY TRAINING

Mr. HATFIELD:

What are the names of the universities who propose to take high school students who have joined the army, and give them one year's college education as announced by the Department of National Defence on May 31?

Mr. MACDONALD (Halifax): As of 8th June, 1943: University of Western Ontario, University of Toronto, McMaster university, Queen's university, Ottawa university, McGill university, University of Montreal, Acadia university, Mount Allison university, University of British Columbia, University of Saskatchewan, University of Alberta.

MUNITIONS AND SUPPLY—TELETYPE MESSAGES IN FRENCH

Mr. POULIOT:

1. Have instructions been issued in the Department of Munitions and Supply not to send messages by teletype, or otherwise, in French?

2. If so, for what reasons?

Mr. HOWE:

1. No.
2. Answered by 1.

SOURIS RIVER—USE OF WATER FROM RESERVE STORAGE DAMS

Mr. MATTHEWS:

What steps, if any, are being taken by the government towards securing for southern Manitoba a larger release of water via the Souris river from the reserve storage dams being utilized in North Dakota.

Mr. MACKENZIE KING: On January 15, 1940, the governments of Canada and the United States referred to the International Joint Commission the question of the distribution of water of the Souris river as between the provinces of Saskatchewan and Manitoba

and the state of North Dakota. This reference was made under article 9 of the Boundary Waters Treaty of 1909. In the summer of 1940 representations were heard from all interested parties and on October 2, 1940, the commission handed down interim recommendations as to the use of the water. The interim recommendations were accepted by the government of Canada and the government of the United States and were approved by the governments of Manitoba and Saskatchewan. The recommendations provided for the release to Manitoba of a minimum quantity of water per year which amount was increased by a subsequent order of the commission dated November 17, 1942.

At present, the International Joint Commission has under consideration further representations made with respect to the equitable distribution of the water. Hearings were held in Minot, North Dakota, and Melita, Manitoba, on May 24 and May 26 respectively, at which all parties with an interest in the matter were given an opportunity to present their views. It is expected that a further interim recommendation will be made by the commission shortly. A permanent decision as to the distribution of the water will only be made after experience under interim orders has given further information and knowledge on which to base a satisfactory division.

QUESTIONS PASSED AS ORDERS FOR RETURNS

GOVERNMENT WASTE-PAPER CONTRACT

Mr. POULIOT:

1. Who had the contract for government waste-paper in 1921; what was the quantity then sold, and for what price?
2. Were public tenders afterwards called for such waste-paper?
3. If so, (a) when; (b) to whom was the contract awarded; (c) for what price; (d) for what quantity of paper?
4. Who has the contract now, and since when?
5. What is, (a) the quantity of waste-paper sold under the present contract; (b) the price paid by the contractor?
6. Since 1921, inclusive, how much was paid each year for government waste-paper?

Mr. MITCHELL: Return tabled .

[*Later*:]

On the orders of the day:

Mr. POULIOT: I will ask the Secretary of State if he will kindly table a supplementary report regarding waste-paper. In the return which has been tabled in answer to this question there is an answer only from the king's printer. It seems that there should be an answer from all departments.

CANTEENS AND RECREATION SERVICES

Mr. POULIOT:

1. Has the Minister of National War Services authorized certain organizations to receive contributions to aid canteens, recreation centres, etc., for the troops?
2. If so, (a) what are the organizations; (b) under what conditions are they recognized as auxiliary war services?
3. Has the Minister of National War Services himself granted subventions to these societies so that they will not make public appeals for contributions? If so, (a) when; (b) what sums has each organization annually received since the beginning of the war from public subscription, and by way of government grants?
4. Has each organization authority to withhold an amount for its own support from, (a) popular subscriptions; (b) government grants? If so, what is the percentage in each case?

MILITARY SERVICE—LOCATION OF DEFAULTERS OR DESERTERS

Mr. BERTRAND (Terrebonne):

1. Does the government employ agencies, organizations, or private companies, to locate those called for service who refuse to present themselves for training, or deserters from the armed forces?
2. If so, what are the names and addresses of such organizations so employed?
3. What is the basis of remuneration?
4. What has been paid to each to date?

MOTIONS FOR PAPERS

CANADA'S PARTICIPATION IN THE WAR

Mr. LACROIX (Beauce):

For a copy of all memoranda, correspondence, telegrams and other documents, addressed by the government of the province of Quebec to the federal government, from August 25 to October 1, 1939, on the subject of Canada's participation in the war.

Mr. MACKENZIE KING: Mr. Speaker, I have had search made as to memoranda, correspondence, telegrams and other documents addressed by the government of the province of Quebec to the federal government on the subject of Canada's participation in the war, and I am unable to discover any that have been received from the beginning of the war up to the present time.

Mr. HANSON (York-Sunbury): Were any oral representations made by the government of the province of Quebec?

Mr. MACKENZIE KING: I cannot speak for the whole government, but I can recall none at the moment.

Motion dropped.

WAGE NEGOTIATIONS—COAL AND STEEL

Mr. GILLIS:

For a copy of all correspondence, telegrams, and other documents in possession of the Department of Labour, from the United Mine Workers of America, District No. 26, Dominion Coal Company, Acadia Coal Company, Nova Scotia Steel and Coal Company, Cumberland Railway and Coal Company, and the Department of Labour, in the matter of wage negotiations, from February 15, 1943, to May 31, 1943.

MINING AND MARKETING OF NOVA SCOTIA COAL

Mr. BLACK (Cumberland):

For a copy of all correspondence and agreements between the dominion fuel board, the Department of Munitions and Supply, Department of Mines and Resources, Department of Finance, and the government of Nova Scotia, or the Department of Mines, from January 1, 1942, to June 1, 1943, with respect to the mining and marketing of coal produced in Nova Scotia.

SCOTT, SASK., EXPERIMENTAL FARM

Mr. POULIOT:

For a copy of the report of the auditor general, dated April, 1932, to the Department of Agriculture, on the subject of the experimental farm at Scott, Saskatchewan, together with a copy of all documents and vouchers.

SUMMERLAND, B.C., EXPERIMENTAL FARM

Mr. POULIOT:

For a copy of the report made by the auditor general in 1932 to the Department of Agriculture regarding the experimental farm at Summerland, British Columbia.

ARGENTINE REPUBLIC

QUESTION AS TO RECOGNITION OF THE NEW GOVERNMENT

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I desire to direct two questions to the Prime Minister arising out of reports respecting changes of government in the Argentine. What steps are in contemplation by this government towards a recognition of the new government of the Argentine? Has the Prime Minister received from the Canadian legation at Buenos Aires or the charge d'affaires of the Argentine legation in Ottawa sufficiently comprehensive reports upon which he could form a judgment as to how these events in the Argentine will affect the attitude of that republic towards Canada and the united nations generally?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, perhaps I might reply to the second question first, as that will answer in part the first question. I may inform the leader of the opposition that we have received extensive reports from our legation in Buenos Aires but that the political situation in that city will have to be very much clearer than it is at present before it would be safe to venture a firm prophecy as to the future. The only official statement so far issued by the new Argentine government indicates an intention to continue, for the time being at least, a policy of neutrality in relation to the war against the axis.

I do not think the change of government in the Argentine indicates any change of friendly feeling on the part either of the Argentine, its people and government towards Canada, its people and government, and in the circumstances the position of the Argentine continues as it has in the past.

Mr. GRAYDON: The new government is being recognized by this government?

Mr. MACKENZIE KING: We are considering our recognition, just as I believe all other countries are. I do not know any that have changed since there has been a change of government in the Argentine.

LABOUR CONDITIONS

WINNIPEG TRADES AND LABOUR COUNCIL—FREEZING OF WAGES OF LOW-PAID WORKERS

On the orders of the day:

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, on Monday, June 7, the hon. member for Winnipeg North Centre (Mr. Knowles) asked me if I had been advised of a complaint of the Winnipeg and district trades and labour council that the selective service officer in Winnipeg was freezing workers to low-paid jobs when other men were not available for the employers concerned. I had the director of employment service and unemployment insurance of my department telegraph to our regional employment officer at Winnipeg for a report. The reply which came yesterday is to the effect that no official complaint has been received from the trades and labour council. There had been a complaint made to that council by the business agent of the moulders union concerning a labour dispute between moulders and the Vulcan Iron Works of Winnipeg because of a decision on wages given by the Winnipeg regional war labour board. Forty moulders had requested the Winnipeg selective service office to grant permits for other jobs, but as the Vulcan Iron Works is designated an essential industry the

request was refused. The advice from Winnipeg is that the men are back at work in this plant pending an appeal of their case to the national war labour board.

[*Later*:]

Mr. KNOWLES: May I ask the Minister of Labour if he has any information as to the nature of the other work that these men were seeking? My understanding was that they were seeking the same kind of work, in essential industry, at higher wages. The complaint was that they were being frozen in a low-paid job against a better paid job in an essential industry.

Mr. MITCHELL: All I have is the advice I have received from the city of Winnipeg, and it is that the selective service officer told these men to return to their jobs in view of the priority of that industry.

Mr. KNOWLES: Could the minister get that further information?

Some hon. MEMBERS: Order.

GALT, ONTARIO, STEEL WORKERS—STATEMENT AS TO ALLEGED EVICTIONS

On the orders of the day:

Mr. CLARENCE GILLIS (Cape Breton South): I wish to direct a question to the Minister of Munitions and Supply. It arises out of a letter received this morning from one of the organizers of the Union Steel Works of America at Galt, Ontario, setting out that because of the stoppage of work occasioned by poor handling of the labour situation in that district, eviction notices are being issued by the administrator, Mr. K. S. Feader, of wartime housing, to employees of the plants involved in the work stoppage, that they will have to vacate the houses in which they are living on or before June 30. Could the minister inform the house if this is in accordance with the government policy, and does he think that action of this kind on the part of wartime housing is helpful in bringing about a solution to an already bad and aggravated labour situation?

Some hon. MEMBERS: Order.

Hon. C. D. HOWE (Minister of Munitions and Supply): I received notice of this question a few moments before I came into the house. I have tried without success to get in touch by telephone with Mr. Feader, so that I cannot speak with first-hand knowledge of the facts. But I can say definitely that no one is being evicted from any war-time house because he is on strike. In saying that I do not wish to imply that there may not be other reasons why people may be evicted. They may be bad tenants. But certainly no strike position will have any effect as far as eviction goes.

Mr. GRAYDON: May I ask the minister if what he has just said indicates a general policy which is followed in that regard by the government?

Mr. HOWE: Certainly.

MAN-POWER

FARM LABOUR—REPRESENTATIONS OF LA CORPORATION DES AGRONOMES OF THE PROVINCE OF QUEBEC

On the orders of the day:

Mr. J. SASSEVILLE ROY (Gaspé): Mr. Speaker, I should like to ask the Minister of Labour whether he has received a letter sent to him from Montreal on June 3 by La Corportation des Agronomes of the province of Quebec, and signed by Rene Monette, general secretary. This letter deals with the problem of shortage of man-power on farms and suggests suspension of recruiting of these men for the army. Has the minister received the letter and given any consideration to that demand, and if so, what action has been taken?

Hon. HUMPHREY MITCHELL (Minister of Labour): In reply to my hon. friend I may say that when the man-power debate comes up I can give an answer to the letter to which he refers.

PRIORITY RATINGS FOR INDUSTRIES

On the orders of the day:

Mr. J. H. HARRIS (Danforth): I wish to direct a question to the Minister of Labour: perhaps he will accept this as notice and answer it to-morrow. It came to my attention just before coming to the house to-day that industries in different parts of Canada are coming to the national selective board in Ottawa and getting a special confidential priority rating on labour, not only that available in industrial centres, but some labour which is at present employed by other industries which have no such confidential priority rating and whose employees are under the jurisdiction of the local selective service boards. Will the minister make a statement to the house as to the origin of the confidential selective ratings, and also as to how industries

that are doing what they deem to be war work may get on these preferential lists in order that they may obtain some labour.

Mr. MITCHELL: I shall be glad to give an answer to my hon. friend at the next sitting of the house.

TRANSFERS FROM ONE INDUSTRY TO ANOTHER

On the orders of the day:

Mr. P. C. BLACK (Cumberland): I should like to ask the Minister of Labour if it is the practice or policy of his department to confer with the heads of labour organizations and with the heads of industry where, under national selective service, men are being transferred from one industry to another industry. In the province of Nova Scotia there is some discontent because of this transfer, and I should be glad if the minister would care to give us some information on the matter.

Mr. MITCHELL: In the first place, the general policy is to consult with the national selective service board. I think my hon. friend will agree with me that when it comes to a question of administration, that must be the responsibility of the government agency. I think he will agree that where transferences are involved we should take the responsibility, of course after consulting with the national selective service advisory committee before the high policy is put into operation.

FUEL

PRESS REPORT AS TO PRODUCTION OF BUSH-WOOD—COAL SUPPLIES

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): I wish to ask a question of the Minister of Munitions and Supply. In a press report of June 7, Mr. J. W. Cornett, mayor of Vancouver, is reported as having said that—

> . . . he believed the dominion government will announce within a few days that it will go into mass production of bush-wood to augment insufficient coal supplies. The mayor also expressed belief the government will assume responsibility for coal supplies.

If there is any truth in this report, will the minister tell the house what the government plans are?

Hon. C. D. HOWE (Minister of Munitions and Supply): I made a statement on the coal and wood fuel situation in the course of an all-day debate on that subject. The situation has not changed. The federal government is doing everything it can do to provide in every community sufficient coal and to assist every community in obtaining sufficient fuel. Coal we recognize as a federal problem. Fuel wood is a local problem in which the federal government is assisting to the utmost. We have certain operations for cutting quantities of fuel wood which can be moved into deficiency areas, but I think that that should not relieve any community of putting forth its own best exertions to meet its own fuel wood requirements.

HOUSE OF COMMONS

REFERENCE TO ENGLISH TRANSLATION OF REMARKS OF MR. POULIOT ON JUNE 2

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): As a member of this honourable house and as a French-speaking Canadian, I understand that at times translations of our debates and discussions are made in haste, but with regard to what was said on the occasion of the king's birthday the translation should have been polished *ad unguem*. Speaking on behalf of the young men of my constituency who are in the army, and being the last speaker on the subject, and speaking in French, on behalf of my fellow citizens whose maternal language is French, my last words on June 2 were as follow:

> . . . j'offre nos respectueux hommages a sa digne épouse.

It was translated:

> I present our humble respects to Her Majesty the Queen.

This is not at all what I said. It was "I pay our respectful homage to his worthy consort." As a member I feel very humble —I say that at times—but speaking as I did on behalf of the young men of the army and of the French-speaking citizens of Canada I was not feeling humble at all. But I was very respectful, and this is the shade of difference which should not be overlooked. I hope that in the future, as the translators do not come any more under you, sir, the Secretary of State will notify them accordingly.

MEAT

SAUSAGES AND HAMBURGER—RATION REGULATIONS

On the orders of the day:

Mr. D. C. ABBOTT (Parliamentary Assistant to the Minister of Finance): I should like to reply to the question which was put on Tuesday by the hon. member for Rosetown-Biggar (Mr. Coldwell) respecting the rationing of sausages and hamburger. I am informed by the wartime prices and trade

board that they have issued no official statement either over the radio or through the press to the effect that a decision with respect to the rationing of these commodities will be deferred for at least a month.

Mr. COLDWELL: That was given over the radio.

Mr. ABBOTT: So I understand, but I am informed by the board that they have issued no such statement. If there are defects in the meat rationing plan it is probably too soon to decide what they are, as the plan has not become fully operative. The fact that housewives bought meat liberally for a few days before meat rationing came into effect resulted in a slowing up effect on meat sales in retail stores. The situation is being closely watched and adequate steps will be taken promptly if considered necessary to forestall losses of meat resulting from the rationing regulations.

NAVAL SERVICE

REFERENCE TO REMARKS IN DISCUSSION ON JUNE 8

On the orders of the day:

Mr. ROBERT FAIR (Battle River): I wish to call the attention of the house to a discussion that took place yesterday afternoon on the estimates of the Minister of National Defence for Naval Services (Mr. Macdonald). I was not present at the time because I was attending a meeting of the agriculture committee. The hon. member for Vegreville (Mr. Hlynka), in the course of his remarks, protested against a press report with respect to officers in the navy and the question of discriminations. According to this morning's *Citizen:*

> Mr. Macdonald said that if an article like that mentioned by Mr. Hlynka had appeared it was unauthorized. Regulations required simply that a man be a British subject.

Then the following appears in quotation marks:

> "If my honourable friend will look at the navy list of officers he will find a great many names that are not British in the ordinary sense of the term," the minister continued.
>
> "I see in the list 10 people named Kelly, 10 or 12 named Murphy. These are not British in the broad sense . . .

I wish to direct two questions to the minister and I hope he will answer them correctly. First of all, let me say that I come from the country from which people of the names he mentioned, the Kellys and the Murphys, have come and I am as good a British subject as the minister or anyone else here. My question is this: What is the minister's reason for having this portion deleted from *Hansard?* That is the first question. The second question is: Does this make for national unity, about which we hear so much from the opposite side?

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): I may say that the word I intended to use was English, not the word British.

Some hon. MEMBERS: Oh, oh.

Mr. FAIR: That is a pretty flimsy excuse.

Mr. MACDONALD (Kingston City): My hon. friend must realize that in the sense in which he is speaking, I myself am not British—that is, in the sense of being English. There is no English blood in my veins, and it is not likely that I would attempt to reflect upon my own race. What I intended to say was that there were a great many names in the book—English names, French names, and so on—and I went on to say to the hon. member for Vegreville that there were names which were evidently of central European origin.

Mr. FAIR: The second question is not answered.

Mr. MACDONALD (Kingston City): As to the second question, I am just as much concerned as my hon. friend, and a great deal more concerned, about national unity.

Mr. FAIR: Mr. Speaker—

Mr. HANSON (York-Sunbury): The minister—

Some hon. MEMBERS: Order.

Mr. CRERAR: One at a time.

Mr. HOMUTH: There are only two races, Irish and those that would like to be.

Mr. HANSON (York-Sunbury): I should like to know why there is an omission from *Hansard* and what authority the minister has to delete from *Hansard.* This has happened before. That was not answered.

Mr. MACDONALD (Kingston City): I can answer that. I said that by mistake I used the word British yesterday. I had intended to use the word English, and in order to make the correction really complete, and make the sentence read properly, I struck out that part of it.

LEGATIONS

PRESS REPORT AS TO REPRESENTATION OF SWEDEN IN CANADA

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Yesterday the leader of the opposition drew my attention to a dispatch that had appeared in the Ottawa *Journal* of June 7, the significant part of which reads:

Increase of Sweden's consular and legation representation abroad, especially in Canada and South America, is contemplated in plans for the expansion of Sweden's foreign service.

My hon. friend then asked:

Will the Prime Minister inform the house whether or not negotiations have been entered into between the governments of Canada and Sweden along the lines indicated in the dispatch in question, and, if so, when such negotiations were commenced and how far they have progressed?

I am informed that the dispatch arises out of the inclusion in the Swedish foreign office estimates of financial provision for the establishment of Swedish legations in Canada and a number of other countries where Sweden has not, at present, diplomatic representation. I assume the Swedish government, like our own, is alive to the importance of developing, as opportunity permits, closer relations with other friendly countries and is making its plans for the necessary expansion in its diplomatic and consular services. Up to now, however, I have to inform the house, there have been no negotiations between the governments of Canada and Sweden looking toward the exchange of diplomatic representatives.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Tuesday, June 8, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE FOR NAVAL SERVICES

The CHAIRMAN: Item 2 is under consideration.

Mr. CHURCH: Last night when the house was about to rise for the evening—

Some hon. MEMBERS: Hear, hear.

Mr. CHURCH: Thank you for the applause. I may say that I am not surprised at the reaction of the present minister to some remarks I made. I have received nothing but brickbats since I started in this game, because it is more or less a game, but a few more will not do me any harm. But, Mr. Chairman, I wish to bring to the attention of the committee the exact facts and the record. In the first place the minister was absolutely unfair yesterday. So far as his department is concerned, I made a bare statement of the case on behalf of the only people whom I try to represent when I endeavour to have a better deal for the men in our armed forces. The minister complained of my absence from the house. Well, for that matter I think it would be a good thing for me if I stayed away from the house altogether, because, as I have said before, parliament might just as well close up. We have been allowed to do nothing because our powers, functions and privileges have been taken away from us as a parliament and handed over to various control bodies. I have urged in the house that we should close about the end of the month. As a matter of fact, however, when the minister speaks of my absence, I was here on Monday night for a short time; but even when I was away I did not miss much anyway. I wish to thank you, Mr. Chairman, for your invariable kindness and courtesy to members of the opposition, because we look to you, and to your superior officer, Mr. Speaker, as referees to judge the play. I am a sportsman and not a politician; I have never been a politician. I have tried in this house to conduct myself like a gentleman and I have never on any occasion indulged in personalities. I have always tried not to forget the duty of ordinary Christian charity towards one's political opponents, and I have given the government a great deal of credit since the war started for what they have done when their efforts were for a total war. I may say further that at the time the minister spoke last night, unfortunately I was not here. I was out of the building for about half an hour. I was here from eight fifteen in the morning until twenty minutes before the minister started to speak, at which time I went out. While I was away he was referring to me, in my absence. At the time he spoke last night about absence there were only fourteen Liberals on the benches over there, and over here, right to the end of the overflow—only fourteen Liberals.

Yesterday afternoon the only minister on the government benches was my good and kind friend who has done so much in this war, both he and his family. I refer to the Minister of Agriculture. At the time he was the only minister in the house. Of all members of parliament, why am I singled out for attack? Why am I, of all members of the House of Commons, singled out by the

minister for attack? It is because of one fact, namely, that I have supported in season and out of season rearmament and cooperation with Britain and our connection with the mother country, in peace, in war and all the time. I believe everything we have in this country by way of freedom, civilization and liberty we owe to the mother country. Our dominion was one of the chief drifters from the empire, between the two wars, and long before.

I may say that I referred to certain matters before the war started. I referred to what happened between 1938 and 1939, and after Munich. At that time I was bringing before the house consistently, when I was sitting in the seat now occupied by the hon. member for Lake Centre (Mr. Diefenbaker), the need for rearmament. On March 21, 1939, I called the attention of the Prime Minister, on a motion to go into ways and means, to the very grave danger this empire was in on land and sea and in the air, and the certainty of war. I said we had thrown away our defences, the finest army, air force and navy the world had ever seen. Then the huns entered Czechoslovakia. We had the Munich pact. And Munich was necessary because, as I say, France and Great Britain together, either singly or collectively, were no match for Hitler, were not ready for war, after throwing away their finest. Munich gave us a chance to get ready. As I said, on March 21, 1939, on a motion to go into ways and means, I called the attention of the house to this, that if the people were not told the facts, and if they were only told so much as their leaders let them know, then they were going to be led to disaster—which came in September.

On many other occasions I took the same stand. Return No. 140 was tabled—and I apologize to the committee for taking up this amount of time. However, it is not my fault. I was attacked, and I wish to place on record what the facts are. Facts are facts. As I said yesterday, I did not say and never have that I was a friend of the minister. I saw him only once, for a few minutes, at a football game in Toronto, I believe it was between Toronto in 1941—the Argonauts and Winnipeg. The last time I saw him, I believe, was about six o'clock last night, when I had a short conversation with him. That is the first time I had conversation with him about his department.

As I said, I received return No. 140 in 1939. In that I asked whether any steps had been taken by the government to secure a compulsory national register for Canada for defence or economic or industrial or labour purposes. Secondly, if so, what were they, and thirdly, whether a census or modern doomsday book or national register will be ordered or compiled of (a) industrial power; (b) economic power; (c) food power; (d) manpower; (e) military and defence power, and (f) unemployed. I did not receive an answer to that return until a long time after. On every occasion I have said the same thing. If one reads the records of the house for May 26 and 28, 1938, he will find that I said:

> At no time in the history of this empire has it been more necessary for the Dominion of Canada to give support, even if it is only moral support, to the motherland.

I called attention to our disarmament, that we had been wholly dependent on the mother country for our defence, on her navy, and that at no time had we been able to protect our own shores. I said at that time that I would have an opportunity to take it up with the Prime Minister later. He asked me to wait for the foreign affairs debate. He has known me a long time, and I have never had anything but great admiration for him and his family—because I have known him so long. I do not change. I have taken certain principles in the house, and I have stood by them. In that I have been consistent. I never have faltered once in changing my opinions with regard to the war, and the criminal mistake of disarmament, and what we owe to the mother country. In that connection the Prime Minister has taken a different stand. He is a gentleman who has extended a great deal of courtesy in the house. While I have not been of the same political faith, I have always found him courteous in debate toward opposition members, and always a gentleman.

There are just a few other matters I wish to refer to. I shall refer to the remarks last night of the Minister of National Defence for Naval Services, but will not read them. I shall give the page, and members who wish to do so may look it up. Last night the minister started off speaking about the Canadian navy and the navy league. I was connected with the navy league long before he was ever in politics. I was at that time chairman of the harbour board, had been on the school board, the police commission, and many organizations of that kind. We had the cadet movement in the school. The hon. member for Davenport had for many years taken a great deal of interest in the navy league. I believe he was in it before I was. And in that connection may I say that navy shows have been sent right across Canada at the expense of Canada with the Trade and Commerce department. The minister was kind enough to say that I should not expect kindness from him. I do

not want kindness from him. I never said I was a friend of his. I have not known him long enough to be a friend of his. I said I was a friend of the mother country and of the navy, when he was supporting separatism and isolation, and all that kind of thing. I was standing for a better navy, and for protection. Where was he then? Where were the people lined up with him then? I may say that the minister talks about the navy league. It has done splendid work, I admit. I had a great deal to do with it in the city of Toronto, from which I come, both at the time of the last war and before.

The minister goes on to say that in 1926 the house was discussing the procedure to be followed in ratifying treaties. Mr. Chairman, the house was not discussing any such thing. The house was discussing a motion by Mr. Bourassa, who was then the hon. member for Labelle, to declare Canada a country independent altogether of the British empire. At that time I took a strong stand in the house.

I did not seek this fight, Mr. Chairman, but I am going to put the record right, because I have the right to do so, on this very question. Speaking in the house on June 21, 1926, in connection with Mr. Bourassa's motion in respect of foreign affairs, I said:

> Of the links that used to bind Canada to the motherland, what links remain to-day? First, there is our allegiance to the British crown; secondly, there is the right of appeal to the privy council; thirdly, any treaties into which we enter must have the sanction of the mother of parliaments. . . . Sir John A. Macdonald was satisfied with the status of this country. He did not ask the British government to increase the status of Canada. Five hundred thousand soldiers who went to the front and fought for civilization in France and Flanders were satisfied with Canada's status. Fifty thousand of those gallant men lie buried in those countries; they were content to fight even unto death under Canada's status. They fought for Canada's status, but did not ask that any change should be made in it; they did not ask for any increased status for Canada. Such being the case I think the civilians who stayed at home should also be satisfied with the status of this dominion.

I opposed that resolution, and that is what it was. I said:

> The war did not change Canada's status. I am utterly opposed to any change in Canada's status. I am opposed to separatism autonomy, and further changing of our status. We are proud that Canada is an integral part of the greatest empire the world has ever known. The war left us our status as it was. What Canada has done the past thirty-five years she has done of her own volition and voluntarily and she would do the same thing over again, namely, come to the mother country's aid in her hour of peril. So the people of this country are satisfied with our present status.

Then in that speech I opposed the opening of the legation at Washington.

The minister made a further reference to 1926. Unfortunately I have not a staff of experts, as the minister has, to search the registry offices, to go to the newspaper offices and all that sort of thing. I can only write thirty letters a day, and as a member of the opposition I cannot get very much help, though I appreciate what has been done for me by the clerk and by you, Mr. Chairman. I have to do my own work, however, to dig up my own information, and to take part in these debates without any preparation. Yesterday in his remarks the minister referred to Collingwood, and I should like to say a word or two about the situation on the great lakes. Back in 1926 I referred to the situation which arose when a British ship was fired upon a number of times by a ship flying the United States flag, beyond the three-mile limit, and at that time I stated there were gun boats on the great lakes, contrary to the Rush-Bagot treaty. Then, at page 1335 of *Hansard* for February 25, 1926, when there were lake sailors drowned in the upper lakes in the November storms, I went on to say:

> It seems that we also in this country are content to sponge upon the hard earnings of the British taxpayers for the maintenance of our maritime freedom, and we forget the plight that this country would have found itself in during the late war if a German fleet had sailed up the St. Lawrence or attacked Halifax or Saint John. In such an event what would have happened to Halifax, Saint John, Boston and New York? The British fleet to-day, Mr. Speaker, constitutes the real league of nations, while the league of nations is only a debating society and the results are of little or no value. So far as Canada's contribution to maritime freedom is concerned, we have two toy ships. Where are those ships? Off the Bay of Fundy? No; they are locked up in a garage in Halifax. Is that a self-respecting policy for the people of Canada to be proud of, a people who did so much in the late war, in the darkest hours of the empire, in giving of its best blood to the defence of our liberties? Are we prepared to depend altogether upon the British fleet without contributing to its upkeep? We have not spent a cent for the purpose. I doubt whether Mr. Mackenzie King was ever authorized by his cabinet to take the stand which he is reported to have taken in regard to the Locarno treaty. . . . We talk about our nationalism, but we are not a nation; we are part and parcel of the British empire. . . .

I went on to say that sooner or later Canada would have to live up to her responsibilities as a member of the British commonwealth, or declare herself independent of that commonwealth.

Then the minister went on to quote from page 4787 of *Hansard* for June 21, 1926. At that time we had no fleet; we did have a small navy, consisting of two or three ships, most of them obsolete and used only for

purposes of good-will cruises and recreation. If they had put to sea from Halifax, what could they have done? As I said, if they saw an enemy ship coming along they could not fire their guns until they had cabled to Ottawa and an order in council had been passed. Otherwise they could not fire a pinwheel, a fire cracker or a sky rocket in defence of their country. Was that a self-respecting policy for the people of this country, the fifth trading nation of the world—to be completely dependent upon the mother country for the maritime freedom we then enjoyed? I say it was not, and I do not propose to have the stand I took on that or any other occasion misrepresented by anyone. I did not see the remarks of the minister until after twelve o'clock to-day and I have not had the necessary time to prepare a complete reply, but I should like to recall what I said in reference to a great disaster which occurred on the great lakes, and I quote from page 104 of *Hansard* for February 1, 1928:

> The mother country produced a great Liberal between 1870 and 1880, Samuel Plimsoll, M.P., who directed his efforts against what was known as coffin ships, and who forced legislation to provide for seaworthy ships and life saving aids and help to navigation. . . .

The Conservative party in Great Britain wanted to postpone the introduction of the Plimsoll legislation, but Mr. Disraeli, the great persuader, insisted that it be carried through. Then I said:

> There is no Plimsoll in the House of Commons here, and perhaps there is no public opinion to enable a man to do Plimsoll's work if he tried. There is no leader among the hon. gentlemen opposite who has as much true and genuine liberalism in his whole body as Benjamin Disraeli had in his little finger.

Then I went on to refer to the disaster on the great lakes:

> The closing days and nights of navigation in the season of 1927 recorded a great story of unbroken fortitude and of unshaken endurance which proved that our countrymen, the sailors on the decks of those doomed vessels, were blood brothers of the soldiers who brought glory to Canada at St. Julien, the soldiers who could not be blown off the ground they gained at Passchendaele, who climbed the heights of Vimy Ridge, who gained the victory at Amiens and many another field of glory, men whose names will forever thrill every true Canadian. These sailors struggled or waited hour after hour; if help came to them it was help organized by the valiant hearts and strong bodies of their own country, or if help came it was help bought and paid for by the taxes of the people of the United States. That is Canadian nationality for you. The struggle was a story of glory for Canada's sailors. The struggle was a story of shame for Canada's politicians. The tragedies of the great lakes in the closing hours of navigation last season showed in its true colours the stuff that Canadian nationalism is made of. . . . Canada is a proud and haughty nation. It sends its merchant ships into the winter storms with nothing to do but whistle for a United States service tug when the ship is in danger and to fill the air with the distress signals of a siren with the hope that a United States life saving vessel will put to sea and save the lives of Canadian sailors. Canada, a nation, and in trouble, has a navy maintained at the expense of the old country taxpayer to guard the safety of Canada's shores in war.

That is my reply to the minister. I admit my statements at that time, but the minister read only two or three sentences from an eight-page speech dealing with the whole history of Britain's aid to Canada; he read only a few words about the navy being locked up in a garage in Halifax. Well, it may have been just as well that they were locked up, because the ships were obsolete. If they put to sea in battle I doubt if anyone would be safe to go on them. Here is a return which the present Minister of Pensions and National Health (Mr. Mackenzie) tabled giving the names of the fleet and the total tonnage on February 14, 1938. It was not as much in total as one tramp vessel of 10,000 tons. Two or three thousand tons, and these tramp steamers have tonnages as high as nine or ten thousand tons. That was the navy we had. That was our defence. The result was that we faced invasion and insult. I predicted that the enemy would come up the St. Lawrence.

Reference was made to Lieutenant Farrow. Here are the facts about this gentleman. It is return No. 19. It asks:

1. Who is the incumbent of the position of controller of naval information?
2. When was he appointed?
3. What is his salary?
4. What is the nature of his duties?
5. What are his qualifications for such a position?
6. What is his nationality?
7. In what country or state was he domiciled prior to his appointment?
8. Does he hold any decorations or titles from any foreign power?

The answers are:

1. Lieutenant John Farrow, R.C.N.V.R. (temporary).

2. Lieutenant Farrow offered his services in case of emergency to the Royal Canadian Navy, and this offer of service was accepted, and recorded on the emergency list at naval service headquarters, October 7, 1936. He reported to the commanding officer, R.C.N.V.R., Vancouver.

3. Pay and allowances as prescribed by the regulations . . . pay $5 per diem; allowances, including marriage allowances, $3.60 per diem.

4. The controller of naval information is responsible for:

(a) Censorship in collaboration with the director of naval intelligence.

(b) Compilation of various reports on naval activities and of the war diary.

(c) Preservation and tabulation of sources for historical purposes.

(d) Organization and administration of the photographic section of the Royal Canadian Navy.

(e) Liaison duties connected with press, radio and motion pictures.

5. In civil life, Lieutenant Farrow is an author, historian and film director of exceptional ability.

We have to go to Hollywood to get a man to compile a history of the Canadian navy. The press gallery of the house and our newspaper offices contain many men who have forgotten more about this matter than this gentleman ever knew. I quote:

He has had wide experience as a deep sea yachtman.

I belong to a yacht club but I never had any deep sea experience. Our fleet at Halifax was not let out of the garage to go into the deep sea. When our ministers wanted to go to Europe for the league to abolish all navies they did not take the Canadian navy; they headed for New York and took the ss. *George Washington* and *Queen Mary* and other boats from there. The return continues:

The naval service was in urgent need of a qualified officer to take over the duties of naval information and naval historian.

6. British.

7. United States of America.

8. No information.

The government were not satisfied with this one instance; they brought a lot of people from Hollywood to film shows for our silent fleet and sent them on a trip across Canada to tell us all about the navy. The minister referred to the Minister of National Defence (Mr. Ralston). I never in my life criticized the Minister of National Defence. I was referring to what had taken place at Christie Street hospital when the government in 1926 fired a lot of overseas soldiers who had had considerable experience and replaced them with men who had been nominated by the Liberal ward association.

Then we pass on to 1940. At that time the hon. member for Victoria, B.C. (Mr. Mayhew), a most popular member, had been reported in the newspapers here as having stated that a naval college was to be located in Victoria. The minister was asked about this by the hon. member for Cumberland (Mr. Black) and he replied that he had no information. I understood that negotiations had taken place for a site there and I suggested that it would be better to let parliament know something about it first.

The minister went on to quote another statement of mine as to the need of great Atlantic escorts, but I was really quoting a statement by Mr. Lyttelton, the British minister of production, which had been made in New York on November 11 last and in which he warned the dominion and the United States of the great danger in the Atlantic from submarines. I said:

We seem to have been trusting to Providence more than the Canadian navy.

The words I used were:

We seem to have been trusting to Providence as well as to the Canadian navy.

I did not get the draft of my speech, but those were the words I used. I never cast any reflection upon the personnel of the department. If hon. members will read *Hansard* they will see that that is so, but what has been done is to take only one or two sentences of my remarks.

Then I brought up the question of holding civilian inquests. These soldiers are losing their civilian rights. I discussed this matter with the former attorney general of Ontario, Mr. Conant. It cost the province $65,000 to prosecute an airman for murdering a girl on Toronto island. We have 5,796 officers wearing uniform who before their appointment had never had any training. I was insisting that we should have a system, as in the last war, of civilian inquests in the three forces so that these men would not lose their civilian status.

I do not care a farthing what the minister says or thinks about me. I am not here for that purpose. There is something more noble than personalities to be considered. I have never attacked anyone personally since I have been in this house, and this is the first time I have been attacked. It was not until Monday night and last night when the minister made the statement he did. However, what I said in the past twenty years is on the record. The record would not be complete without giving a list of the speeches I have made on different occasions, calling attention in 1937 to 1939 to our danger of invasion. On May 18 I referred to the laissez faire policy of the government and I called attention to the fact that there should be more navy cooperation with the other dominions and the mother country in the great crisis that faced us. I contended that the government was not doing its duty and were not letting the people know all the facts. I refer hon. members to *Hansard* of February 9, 1937, page 759, and also remind them that in April, 1938, I predicted the war. On July 1, 1939, I referred to the crisis that was developing and again predicted the war. I called attention to the inadequacy of our fleet and stated that Canada was asleep

while her politicians dreamed and did nothing. I predicted that when war broke out we would be attacked. At page 794 of *Hansard* of 1926, on April 1, 1939, on May 24, 1938, and again in 1939 you will find statements about our duty to our navy and to the men of the navy. You will see where I praised the personnel of our navy and regretted that they had to suffer as they had. Here is a return which gives certain figures about the navy. I wanted a naval college established, and a grant to the Singapore base and to adopt the Jellicoe report, and I would train five or ten thousand cadets a year. The minister is quite proud that Britain has given us two destroyers, but we could have had these long before the war but we would not take them. We thought we were independent. We were depending on the Monroe doctrine, the League of Nations, the Locarno agreement, the Kellogg pact and all kinds of scraps of paper, for our defence on land and sea and in the air.

As I said last night, I have no quarrel at all with the minister, I have always looked upon the House of Commons as a gentleman's club, and have always treated everybody here with courtesy. I have never indulged in personalities. I have always obeyed the rulings of the Chair. I have said nothing inside or outside the house that I would not say to a member himself publicly in the house. If I did not think something of my responsibility as a member of parliament I would have walked across the floor of the chamber last night and settled this thing with the minister. I think that is far the better way. If I am going to be attacked any more I want to know about it. You know what fair play is, Mr. Chairman. I have known for many years the minister who preceded the present Minister of National Defence for Naval Services, the hon. member for Vancouver Centre. I call him master of ceremonies. But the other night he hauled his rule book out of his pocket and quoted the rules quite unnecessarily on me. You know, Mr. Chairman, that a referee does not want unseemly wrangles and to be forever hauling out his rule book and reading it to the players. The fact is that if we had more of the spirit of sportsmanship in this house we would get along far better and would not have such things as happened last night and this long debate on the war appropriation bill would have been ended long before now.

Mr. GILLIS: Mr. Chairman, I suppose now it is permissible to say something about the navy. It is difficult to know just how to begin, because so far I have heard everything discussed except the navy estimates. I am sure that most members of the house are not interested in the debate that has been carried on for the major part of this afternoon and last night. The people of Canada are fully aware that Canada was totally unprepared for war when war broke out and are not interested in any quarrels at this time across the floor of the house between the two major parties that held power from time to time in Canada. All such quarrels are irrelevant because both these parties must share responsibility jointly for our state of unpreparedness at the beginning of the war. I shall try, Mr. Chairman, to deal with the matters set out in the estimates. I want to bring to the minister's attention one or two things that come within his department and I do it not by way of criticism, but rather to focus his attention on them with a view to eliminating what I consider to be grievances.

But first let me say this. Personally I feel that our navy organization in Canada, starting from small things at the beginning of the war, is an organization distinctly Canadian. In the organization of our air force and our army we had the assistance to some extent of people from other parts of the world. But our navy started from nothing and it has been built up and has done a very creditable job as a purely Canadian organization. In addition, as the minister pointed out in his statement, the navy has in complete command on a war front the one and only Canadian who is in command in any theatre of war. That is to the credit of the navy. It indicates to me that in the administration of the navy regard is paid to the development of a Canadian force with Canadian responsibility and Canadian direction. I think that is as it should be, and I want to compliment those in charge of the navy, and particularly the minister, on that trend. Personally I do not think that Canada, in view of the contribution she made in the last war and is making in this war, should be taking direction from any other part of the world. It is time we began to stand on our own feet. Perhaps the reason we were in the mess we were in when war broke out was that we had been sitting back and doing no probing for ourselves but were just accepting everything as gospel that was given to us from another part of the world. That is something I never agreed with and never will agree with. I think we should use our own eyes and our own ears, build our own economy and protect ourselves, instead of blindly accepting a lead from any other part of the world. The responsibility for the mess we found ourselves in when this war broke out was not in my opinion Canadian.

It was because some people had been sitting back and doing a lot of wishful thinking and accepting somebody else's advice.

I would like to bring the minister's attention to the necessity of granting free transportation to the members of the naval forces when they go home on leave. I lay stress particularly on the position of the sailor who comes home on leave after being at sea for six or eight months, as many of them are. Many of these boys come from the central west, from Alberta, Saskatchewan and Manitoba, and whether they land on the east coast or the west coast they have a considerable distance to travel to reach their homes when they get a couple of weeks leave, which they need and have earned. As it is now, they are obliged to pay their own railway fare when going home across half this country on leave. I am sure that any member who has travelled to or from either coast will remember seeing many of these boys travelling second class, sitting up in the coaches two or three nights on end, and travelling under very uncomfortable conditions in order to get home on leave. It is not too much to ask that after coming off the water where they have to sleep in their clothes for weeks and months at a time, these boys should be given free transportation to and from their homes. I would ask the minister to think that over. We have already suggested free transportation for the army and the air force on embarkation leave and on their regular furlough.

Mr. MacNICOL: Does the hon. member mean that his party has suggested it?

Mr. GILLIS: Yes.

Mr. MacNICOL: So has this party.

Mr. GILLIS: Nearly every hon. member of the house has. There has been no disagreement there excepting on the part of those who have the power to implement the suggestion, and they have not done so as yet.

Mr. MACDONALD (Kingston City): My hon. friend is speaking of the regular leave?

Mr. GILLIS: The regular furlough and embarkation leave. I emphasize that it is absolutely necessary because many of our sailors have to travel a considerable distance to reach their homes in the central west, in Saskatchewan and Alberta, for instance. I hope the minister will give this request his sympathetic consideration.

Last session when the minister had his estimates before the house I spoke of the merchant marine and the necessity of having ship masters keep a registration of their men on board merchant ships in order that, if something happened to them, there would be some way of getting in touch with their next-of-kin and informing them of just what happened. During the past year I have received many letters from fathers and mothers on the east coast inquiring as to the whereabouts of a son who had left home perhaps a year or six months before and had gone aboard a certain ship. The ship is Norwegian, perhaps, or Greek, but is under British registry. The boy has been missing for some time. I write the shipping board in Montreal—that is, the British Ministry of Shipping. If the ship is of Norwegian registry one is obliged to get in touch with the Norwegian consul either in Saint John or Montreal; and my experience in writing these people on several occasions inquiring as to the whereabouts of a boy who had sailed on one of these ships is that I have never had an answer. As a result, some mother and some father go on month after month wondering as to the whereabouts of a missing boy. I know this matter comes under the Department of Transport, but I think it is time the naval authorities undertook the simple proceeding of issuing instructions to the shipping masters, where the boys ship out, or to the manning pools from which they are sent, that a register of the address of next-of-kin of Canadian boys who are shipping on these boats of foreign registry should be kept, so that the parents could get in contact with the different centres when enough time has elapsed to indicate that something may have happened to the boy. Consideration might be given to that by the minister's department.

Another complaint which I have comes from nurses throughout Canada who desire to enter the naval service. I have corresponded with the minister on two or three occasions during the past thirteen months endeavouring to ascertain if it was possible for nurses who wished to enter the naval service to obtain appointments. The minister advised me that there was a long waiting list and that they were not being taken into the service very rapidly. But I believe the system is not handled on the basis of first come first served, because in the cases as to which I corresponded with the department, applications had been in for the past fourteen months. One of the girls I referred to had received a call, was given her medical examination, and was advised that she would be notified in due course. That puts her in a position where periodically she has to spend money to replace her uniform and make certain

preparations if she is to stay in the hospital, though at the same time she is waiting a call to the navy. I am convinced that there is something to be desired in the consideration which is given to taking girls into the nursing service of the navy. If the merit system prevails, seniority of application and everything else being equal, that is the basis on which selections should be handled. I am reasonably sure that that is not the case at the present time. The girls to whom I make reference could have gone into other branches of the service but they did not want to, having a particular yen for the naval service. I suggest that the minister look into the situation with a view to establishing a system which is fair and equitable.

There is another matter upon which I wish he would make some observations, if not now, when he has had a chance to check up concerning it. On March 12, as reported in *Hansard,* page 2603, the Minister of Munitions and Supply, in discussing shipbuilding, was asked the following question by the hon. member for Vancouver South:

> That would mean that we would have over two hundred ships less sinkings.

The minister replied:

> Yes. Those ships are being chartered to the United Kingdom and will be reclaimed at the end of the war. We hope to have at that time sailors and officers from among the men presently in the Canadian navy. We expect that the Canadian merchant marine will be a substantial source of employment in the post-war years and that it will be of real benefit to Canadian post-war commerce. That is the policy.

What I am interested in is this. Canada is and will be for some time an exporting nation. In the past she had chartered ships from every part of the globe and paid out good Canadian money to have our produce taken to other parts of the world. I take it from the minister's statement that it is anticipated that full use will be made of our merchant marine in the aftermath of this war. That is as it should be. It will provide a means of livelihood for a large number of men who are now taking specialist training in that particular calling. As one who is interested in post-war employment I am in accord with that statement. What I would like the minister to comment on is, how it is anticipated that the merchant marine will be built up, and how men now serving in the navy and in the merchant marine will be employed; the basis upon which this will be done. Will it operate by private enterprise as it is done now, with a certain amount of governmental supervision? To what extent and in what capacity will officers and men now serving in the navy be utilized? Any information which the minister may have that will supplement the partial statement made by the Minister of Munitions and Supply would, I think, be welcome, because the statement we have already had requires some elaboration. It is something in which the Canadian people are definitely interested. We think it very necessary, instead of chartering ships from Japanese and all over the world to carry Canadian commerce to all parts of the globe, that it should be a definite phase of our own economic life after the war.

I am sorry I have had to occupy this amount of time and to deviate to some extent from the item we are considering, but after listening to the last speaker I thought I was justified in taking a little latitude and putting these particular questions to the minister to be answered after he has had time to study them.

Mr. DIEFENBAKER: I have not as yet taken any part in the discussion of this department under the war appropriation measure. May I begin by saying that all of us are proud of the navy and its activities, and those of us who come from western Canada, particularly far removed from the sea, are pleased that our provinces have made such a large contribution. Now that a new system has been evolved whereby ratings will be raised to commissioned rank, speaking on behalf of the western provinces our proportion of commissioned officers should be larger than it is now. An examination of the figures shown on page 3407 indicates an inequality in the percentages among the various provinces that is difficult to understand. In Prince Edward Island the proportion is 49 officers to 1,036 ratings, or one in 20; in Nova Scotia—one can understand this—one in 9; in New Brunswick, one in 13; in Quebec, one in 6½; Ontario, one in 12; and when you come to Saskatchewan the proportion is approximately one to 28; while in Manitoba it is about one in 20. Having regard to the quality of the men who are coming from the west I do think that there should be some equalization in the opportunities of commissioned rank and I have no doubt that will be so under the new arrangement.

Mention has been made of the fact that Canada's navy as a separate entity had its birth since the beginning of this war. In that connection I would point out that in 1918, on May 17, an agreement was made among the

various dominions of the empire respecting naval development in the dominions. I will read it:

The dominion ministers, having considered the admiralty memorandum of May 17, 1918, on the naval defence of the British empire, which was circulated to the imperial war conference of 1918, submit the following conclusions and observations:

1. The proposals set forth in the admiralty memorandum for a single navy at all times under a central naval authority are not practicable.

2. Purely from the standpoint of naval strategy, the reasons thus put forward for the establishment of a single navy for the empire under a central naval authority, are strong but not unanswerable. The experience gained in this war has shown that in time of war a dominion navy (e.g., that of Australia) can operate with the highest efficiency as part of a united navy under one direction and command established after the outbreak of war.

3. It is thoroughly recognized that the character of construction, armament and equipment, and the methods and principles of training, administration and organization, should proceed along the same lines in all navies of the empire. This policy has already been followed in those dominions which have established naval forces.

4. For this purpose the dominions will welcome visits from a highly qualified representative of the admiralty, who, by reason of his ability and experience, would be thoroughly competent to advise the naval authorities of the dominions in such matters.

5. As naval forces come to be developed upon a conisderable scale by the dominions, it may be necessary hereafter to consider the establishment for war purposes of some supreme naval authority upon which each of the dominions would be adequately represented.

In the very full statement that was given by the minister I do not find any reference to several of the matters covered by this memorandum of 1918, which to all intents and purposes has not since been altered. Are the principles of training, administration and organization alike, or have they proceeded along similar lines, in the various navies in the empire? Is there to-day a supreme naval authority within the empire upon which each of the dominions is represented? Is Canada represented on such a central board, and are any of the other navies within the empire represented on such a board?

The next matter I should like to deal with is one that has been referred to on previous occasions but it has yet to be answered by any of the ministers of defence. I intend to devote the time at my disposal to the consideration of a subject which is of interest not only to the men who serve in the navy but also to those who serve in the other armed forces,

[Mr. Diefenbaker.]

namely, the establishment, for the protection of service men and women, of a system of life insurance.

A number of questions were asked to-day by the member for Victoria-Carleton as to what insurance is offered to the members of the armed forces. Several other questions were asked at the same time, and the answer was, that insurance was made available by various insurance companies. I wish to place before the minister the necessity of action being taken now, before the commencement of the offensive overseas, for the establishment of a plan of life insurance which will be available to the men and women of the armed forces during the period of the war.

I realize that insurance can be secured from private companies, but the premiums are so high, having regard to the reasons incidental to war service, that it is impossible for service men and women to secure insurance to-day. It may be said that it is late in the war to suggest this, but I would point out that so far our casualties do not amount to over 8,000. It may also be argued that an insurance scheme will cost a great deal. It may cost the state a considerable outlay to protect the loved ones of those who are serving, who to-day, not being dependents, have no protection, but it would improve the morale of the armed forces in the knowledge that they would receive the same consideration and protection as given those in the United States armed services, and it would encourage thrift and give to those in the armed services a nest-egg after the war.

It has been most successful in the United States. Our armed forces serve alongside those from the United States, and I think that with a view to securing as nearly as possible an equality of terms of service, the introduction of this measure at this time would receive the approval not only of those in the armed forces but also of the people of Canada as a whole. The United States has had a national service life insurance scheme in effect since October 8, 1940. So successful has the scheme been that up to March 15, 1943, 7,750,000 applications had been received, with an average amount of $6,381 for each policy. It might be argued that to bring in such a scheme would impinge upon the field enjoyed by private insurance companies. However, experience in the United States of America is that fears such as that have not been justified in respect of the scheme introduced there. They had a similar scheme during the last war, altered in this war in order to meet the exigencies peculiar to present-day conditions.

In a recent article dealing with this matter the answer is given as to the effect on private insurance companies:

> The advent of the government into the life insurance business during the first world war, authorizing and emphasizing as it did a maximum of $10,000 protection on every serviceman's life, has generally been conceded to have been a great benefit to the institution of privately operated life insurance. At that time apprehension was felt in some quarters of the possible encroachment of government upon the field of life insurance. As a matter of fact the records disclose that on January 1, 1917, there was less than twenty-five billion dollars of commercial life insurance in force in the entire United States, and within two years after the close of the first world war this amount had increased to over forty billion dollars, exclusive of government life insurance.

I suggest—and I am going to ask the cooperation of the minister in this matter—the establishment in Canada of a system of life insurance, made available, as I have already suggested, for every serviceman and woman, in amounts up to $10,000 per year, at net premium rates based on the Canadian table of mortality, with interest at three per cent, the government bearing the excess mortality costs.

As I have already stated, a similar system is in effect in the United States, and it has worked out so successfully that wherever one goes among members of the service in that country, he hears good reports of the plan. I had an opportunity to speak to a number of servicemen on a recent trip to the United States, and they, along with those in public life, state that no scheme has ever been introduced in the United States which has done so much to improve the morale of those who serve.

I shall epitomize, in a very few words, the scheme in that country. It provides that insurance may be taken out by all who serve within 120 days after the scheme is brought into effect, or within that period after a person joins the armed forces. The premium is based on a five-year term insurance, with the privilege of conversion to ordinary life insurance, twenty-payment or thirty-payment, at any time within the period of five years. I shall not go into the scheme in detail, but I might say it is set out in the May issue of a publication called, "The Annals of the American Academy of Political and Social Science".

Policies on maturity, on the death of those in the service, are payable to the beneficiaries, irrespective of pension rates enjoyed by those beneficiaries, by monthly payments, on the basis of $3.97, and up, per $1,000 of insurance. The cost is very low, having regard to the service rendered. The cost to the state has not been very high. The cost to the serviceman, on the five-year plan in effect in the United States, at the age of twenty-five years, is only $6.70 per month for $10,000 of insurance, or approximately $79 a year. That amount is paid by the serviceman who takes insurance payable for a period of five years, if he survives the war. And at the end of or during that period he may transfer into an ordinary life insurance policy such as I have already mentioned. The rates are somewhat higher for persons over twenty-five years.

On many occasions the matter of insurance has been mentioned. I think the hon. member first to mention it in the house was the hon. member for Broadview (Mr. Church), whose contribution to the welfare of the men and women in the services of this country is recognized by all, irrespective of party. With the introduction of such a scheme at this time our servicemen would be placed in a position of equality with those in the United States who are in the services. They would be given an opportunity to have, at a low rate, that which the private insurance companies cannot give them. Provided they were disabled, if a similar scheme were in effect in Canada as is in effect in the United States, premiums would no longer be payable. In the event, however, of the insured dying in the services, he or she can provide protection not only for his or her dependents, but for others who, by reason of non-dependency, have no protection to-day. Thereby the morale of those who serve would in my opinion be immeasurably increased.

I do not ask consideration by the minister of this proposal. It is not something new; it is not utopia; it is not nebulous. Experience in the last war has shown that it worked. The experience in the United States since May, 1940, has altogether been of such a nature as to have won the approbation of men and women in all the services, and the universal approval of the legislators and those in authority in Washington.

Mr. JOHNSTON (Bow River): There are only one or two things I should like to mention, and I shall not take long with either of them. The one question I was about to bring up has already been mentioned by the hon. member for Lake Centre. That had to do with officers and ratings in the different provinces, as outlined by the minister at page 3407 of *Hansard*. I do not wish to be misunderstood in this regard. I am not complaining particularly about the number of officers appointed from Quebec, in relation to the number of men from that province.

But I do think there is an unfair distribution as related to the other provinces. And, as I have it figured out, in Prince Edward Island there was one officer for every twenty-one men; in Nova Scotia one for every 8·8 men; in New Brunswick one for every 14; in Quebec, one out of every 6; in Ontario, one out of 12; in Manitoba, one out of 19; in Saskatchewan one out of 28; in Alberta one out of 27, and in British Columbia one out of 7.

In view of that astonishing relationship of the number of officers to the number of men, I think there should be some explanation from the minister. I suppose he has an explanation for that, and I shall not dwell upon it further than to say, once again, that while I have no objection to the number of officers coming from Quebec, I do think there should be closer relationship between ratings and officers, having regard to the other provinces. I shall let any further remarks I have to make on that subject go until the minister has had an opportunity to explain the matter, because there may be some reason for it.

The other point I wish to bring to the minister's attention has to do with rates of pay in the navy. I have had a good deal of correspondence in regard to the pay of various ratings. I remember that the last time I came to Ottawa I had the privilege of discussing this subject with some sailors as well as three or four naval officers who were on the train at the time. The complaint has to do with the living allowance given those who have enlisted since June 1, 1942, when they are forced to live out of barracks or ashore. My understanding is that ratings who joined after June 1, 1942, receive $1.25 a day.

Mr. MACDONALD (Kingston City): That is their pay in the beginning.

Mr. JOHNSTON (Bow River): And I am told that those who enlisted before June 1, 1942, receive $1.45.

Mr. MACDONALD (Kingston City): That is right.

Mr. JOHNSTON (Bow River): These men complained very strongly of this difference, and I believe the protest is well founded. I do not see why a line should be drawn as between those who enlisted before June 1, 1942, and those who joined after that date; certainly it is penalizing those who joined later. So far as the cost of living is concerned they are in exactly the same position as those who joined before June 1, 1942, and it seems to me there is a great deal of discrimination here. You ask these men, some of whom enlisted before June 1, 1942, and others who enlisted later, to live under exactly the same conditions, to belong to the same force and fight for the same cause; yet one receives only $1.25 a day as against $1.45. A great deal has been said in eulogy of the boys of the navy. I would not want to detract in any way from what has been said in that regard, because I think the work they are performing is just as essential as the work of any other branch of our defence forces. I believe they are entitled to a little praise, but I think they are also entitled to a little financial consideration and in this respect I do not believe they are getting fair treatment. I am told that the reason why this change was made was to bring these rates into line with those of the other forces; the minister will correct me if I am wrong in that. Well, if that is true, it seems to me a very poor reward for the splendid service the navy is performing, to reduce the pay of the ratings by twenty cents a day. No doubt to some twenty cents a day may not seem very material, but when they were getting only $1.45 to start with and that has been reduced by twenty cents, it becomes a serious matter to these young fellows. Not only is it a consideration financially; it is a consideration in regard to their morale and feelings, and those are matters to which we should give attention.

Surely the excuse that this was done to bring them into line with the other services is hardly sound. It seems to me the fair thing in a case of that kind would be to increase the pay in the other services, instead of reducing the pay of these naval ratings, to bring them all somewhere near a decent standard. We cannot expect enlistments in the forces if we are not going to treat the men properly. Apparently the minister is having no difficulty in getting recruits; I think he said he has a waiting list, though not as large a list as he had previously. The air force also has a waiting list, though not as large a list as it had previously. The army is finding it difficult to get recruits; in fact we have had to resort to conscription for that purpose. This is a very poor way to encourage young fellows to join the navy. I suggest to the minister that this matter should be gone into a little more fully and that these men should be given their former pay and allowances when they are living out of barracks. If necessary, the allowances given in the other services should be increased as well. I need not say more on this matter until I have heard the minister's explanation. Those were the two subjects I wanted to bring to his attention.

Mr. FRASER (Peterborough West): I am not going to make a forty minute speech; I have only a few questions to ask. Yesterday, Mr. Chairman, you said you had allowed the committee a great deal of latitude; personally I thought you had also given a great deal of longitude. I wanted to ask the minister just what was the difference in the pay of the naval commandos, of whom I understand we have some training on the Pacific coast and in England. I should like to know also if the minister's department has anything to do with the training of the men of the merchant marine. I wish to know how many civilians are engaged by the navy department in connection with the organization of the sea cadets; where the sea cadet training camps will be this summer and, if possible, how many boys will be trained at each sea cadet camp. At the same time, if possible, I should like to have the minister give us the allowances the sea cadets receive during this training.

Then it has come to my attention that in some of the administration offices civilians are working alongside men in naval uniform; they are both doing practically the same jobs, but in most cases the men in uniform are receiving more money than the civilians are paid. I should like to know how many civilians there are in each branch of the service, including the administrative branches, and the number of those engaged in inland waters and also on convoy work. I believe that is all I have to ask now; I shall have a number of questions to ask later on, but I do not wish to take up more of the minister's time at present. However, I wish to say I am pleased that the minister is to name a corvette after the city of Peterborough.

Mr. COTÉ: I should like to invite the minister to make a statement in regard to a certain matter which has caused some discussion in my district. I refer to the decision of the minister in connection with my request and that of other citizens of my community that a corvette should bear the name of our city. I made this request in November, 1941, at the office of the naval secretary, and two weeks later I wrote to the department. I was given to understand that the name "Verdun" could not be used as the name of a Canadian warship because a British destroyer already bore that name. In the following year the minister was kind enough to write to the city officials of Verdun to ask them to suggest some other name, and the name of "Dunver" was chosen. A campaign has been carried on by a certain French language newspaper in Montreal and it has been stated that the name "Dunver" was chosen for other reasons. I do not intend to comment on what has been said, but I should like the minister to make an official statement as to whether my remarks as to the real reason for choosing this name are well founded. Would it be possible to have a name that would include "Verdun" given to some vessel?

While I am on my feet I wish to refer to a resolution which was passed by a division of the Catholic women's league of Canada located in my riding. This is dated May 25, and a copy was supposed to have been sent to each of the three ministers of defence. They point out that there are not sufficient facilities for divine worship in the different camps, and their opinion is that if chapels were built it would develop a religious spirit among the men. I ask the minister to comment upon this resolution which he should have received at the end of last month.

Mr. CASTLEDEN: I think it would clear matters up if the minister would give the committee an assurance that there is no regulation or order or agreement, either written or understood, which prevents the giving of a commission in the Canadian navy to a person of other than British origin, no matter what that origin may be.

Mr. MACDONALD (Kingston City): I think the best answer is the number of officers from Quebec. There are 1,175, or some such number, from the province of Quebec and many of them must be French officers. The navy list is full of French names.

Mr. CASTLEDEN: That does not answer the question.

Mr. MACDONALD (Kingston City): I think it shows that there is no rule or regulation requiring a person to be of British origin. Otherwise, how could these French Canadians get in?

Mr. HANSON (York-Sunbury): The only regulation is that they shall be British subjects.

Mr. MACDONALD (Kingston City): That is the only regulation, as I pointed out yesterday.

Mr. HAZEN: The minister stated the other evening, as reported at page 3407 of *Hansard*:

> About 20,000 are serving in Canadian ships; the others are training at shore establishments.

In addition to the officers and men who are serving in Canadian ships, are there any trained men serving on shore? If there are, would the minister give us the approximate number? It seems to me that all the trained men

cannot be serving in Canadian ships and perhaps this statement should be further explained.

Mr. MACDONALD (Kingston City): My hon. friend is quite right. It would be incorrect to say that all the trained men are at sea and none were on shore. Obviously there are some trained men on shore carrying out instructional duties and the like.

Mr. HANSON (York-Sunbury): And administrative.

Mr. HAZEN: I would ask the minister to give us the number of trained men who are serving on shore.

Mr. MACDONALD (Kingston City): I shall have to get that from all over the country and it will take me some time.

Mr. HAZEN: I do not recall whether the minister gave us the number of men who had lost their lives in the service during the war.

Mr. MACDONALD (Kingston City): Nearly a thousand.

Mr. HAZEN: How many have been wounded?

Mr. MACDONALD (Kingston City): It is a small number compared with the number killed.

Mr. HAZEN: How many have been discharged on account of wounds? How many on account of injuries? How many on account of illness? How many on other grounds? How many "Wrens" have been discharged from the service and for what reasons?

Mr. MacNICOL: I should like to ask the minister about a statement made by a gallant officer, Commander Andrew MacLean, to a naval volunteers' association some time in late April or early May. The dispatch from which I shall quote is dated May 8 and is copied from the Quebec *Chronicle-Telegraph*. Commander MacLean is quoted as saying:

> There must be equality of service in return for equality or greater sacrifice.

Apparently enlarging upon that statement, he said:

> For far too long have the naval volunteers of this country—officers and men of the R.C.N.R. and the R.C.N.V.R.—been subjected to the most unfair discrimination by the regulations and the interpretation of the regulations by the permanent force R.C.N.

And further:

> If a volunteer wishes to make a suggestion or to state a complaint, he is just wasting his time for the papers will proceed only as far as the first R.C.N. officer—and thence into the waste-paper basket.

And again:

> If a volunteer has an idea how to sink submarines, it is automatically deemed silly.

Speaking of his own experience, he said:

> I got so disgusted when ideas of mine were turned down that I copied one of the British admiralty's and sent it in as my own. You will all be amused to know that this device, in satisfactory use on hundreds of British ships, was described as entirely impractical by the self-appointed experts of the Royal Canadian Navy.

Would the minister state how much truth there is in these statements of Commander MacLean?

Mr. MACDONALD (Kingston City): I should have to look into the matter of the device which he says he submitted to the Royal Canadian Navy and which was rejected. I do not know anything about that. As to the general complaint which he makes of discrimination against the volunteer reserve and the naval reserve by members of the permanent force, I must say that I have no knowledge of any such discrimination. I do not think any member of the permanent force of the Royal Canadian Navy discriminates in any way against the men who have come in for hostilities only. On the contrary I think they admire tremendously the zeal and gallantry and courage of these civilians who have become sailors in a few months and have shown such remarkable aptitude for their tasks. So that I do not think there is anything in the story of discrimination.

Mr. MacNICOL: Had this man been on one of our warships?

Mr. MACDONALD (Kingston City): He was on a smaller type of warship called the Fairmile, which is a motor craft. He was in command of one of these in the early stages of the war.

Mr. HANSON (York-Sunbury): Did the minister himself investigate the complaints of Commander MacLean?

Mr. MACDONALD (Kingston City): Yes.

Mr. HANSON (York-Sunbury): Naturally the permanent force officers who are making the navy a career expect that they have a preferred position, and I can quite appreciate that. But my understanding of Commander MacLean's complaint is that he could not get his recommendations or his complaints through to headquarters, that they never got beyond the first officer simply because they came from him; they were automatically thrown in the waste basket. Has the minister ever investigated this matter himself because, after all, where there is smoke there may be fire, and there is a good deal of smoke

around Commander MacLean. I know him extremely well, and he thinks he has a real grievance against the permanent force officers of the navy. I do not know anything about the matter myself, but I suggest that the minister's reply does not indicate that he himself has made any investigation. We ought to know just what the position is with reference to the complaint of this man, who is certainly not a fool by any means. He is certainly a man who is actuated by high patriotic motives. He wanted to help but just did not get the opportunity to do so. Did the minister himself ever make any investigation of his complaint?

Mr. MACDONALD (Kingston City): Some months ago I made a long statement in the house. Perhaps the hon. member was not present.

Mr. HANSON (York-Sunbury): I remember reading it.

Mr. MACDONALD (Kingston City): If my hon. friend had read the statement and had it before him now, he would see that not all of Commander MacLean's complaints were substantiated. Some of them I was able to contradict flatly by unquestioned facts. As to the others, so far as I could make an investigation I made it. Obviously I could not call in officers from all over the earth, some of them at sea, some in England, and some perhaps in the Mediterranean at that time, but so far as it was possible for me to make an investigation I did make it and I was able to assure myself that the charges which Commander MacLean made were not substantiated to any worth-while extent. He complained of not having been listened to and of his recommendations not having been heard. The opinion of officers here, one after another, is that it was MacLean's fault. There lies the difference. MacLean blames a dozen other people, and they blame him. I prefer to accept the word of these officers. Some of them are officers of high rank. I am supported also by the view of English officers. I was obliged to give their views to this house as to Commander MacLean's abilities. I had to do that in justice to the service, and their opinion of Andrew D. MacLean was very low.

Mr. HANSON (York-Sunbury): What do they know about it?

Mr. MACDONALD (Kingston City): He had gone to England in 1940 and remained there until 1941.

Mr. HANSON (York-Sunbury): When he could not get into the Canadian navy.

Mr. MACDONALD (Kingston City): He was in the Canadian navy at the time and was loaned to the Royal Navy. I know the story. He was in the Canadian Air Force. Then he wanted to get into the Canadian navy. He was taken into the Canadian navy and was sent to England with a number of other men here, on loan to the British navy. That was in 1940. He remained there for, I think, nine months or so and served under British officers; two of these officers reported on Andrew D. MacLean, and their opinion of him was very low. When I have that evidence of British officers, who are certainly not prejudiced, and when I have the opinion of officers here, one after another, I think I am entitled to rely on these opinions rather than on the statement of Andrew D. MacLean.

Mr. MacNICOL: Did he serve in the great war?

Mr. MACDONALD (Kingston City): In the last war, 1914 to 1918, yes, mainly in the Mediterranean in smaller craft, and his record at that time was good. But MacLean is now a man of forty-seven or forty-eight years of age.

Mr. HANSON (York-Sunbury): Just a boy.

Mr. MACDONALD (Kingston City): It is our experience that in the smaller boats a man of that age finds the work rather difficult. It is all right on a great big ship but not on little ships, corvettes or destroyers or Fairmiles. The work there becomes pretty hard for a man who has passed his forties. But, apart from that altogether, the facts are as I have endeavoured to give them.

Mr. MacNICOL: Did he retire voluntarily during this war, or was he retired by the department since the war broke out?

Mr. MACDONALD (Kingston City): Commander MacLean came to me and I had several discussions with him. He submitted three or four, perhaps five different possibilities. One was that he might go back to the Royal Navy, another that he might be given something else with the Canadian navy, and another was that he might retire. After thinking over the whole matter I advised him that of these alternatives it seemed to me the best course was for him to retire, and he did retire at his own request.

Mr. HANSON (York-Sunbury): When he saw he had no future and could not go on. That is about the size of it.

Mr. GREEN: When the minister made his statement on June 7 he dealt quite fully with Canada's naval policy, which will be found summed up at page 3409 of *Hansard*. It

amounted really to a policy for Canada on the Atlantic. It was a policy largely of doing convoy work. Our fleet is obviously being built up for that purpose. Conditions on the Pacific may or may not be the same, but the minister said nothing at all about Canada's naval policy with regard to the Pacific. I think it would be of interest to the members of the committee if he would tell us just what the objective is on the Pacific. Are we to build up there an escort fleet such as we have on the Atlantic, or is there something else in mind? It does seem that there is a good deal of possibility there of an attack by a hostile fleet, not that it is likely at the moment, but there is far more chance of an attack of that type on the Pacific than on the Atlantic in view of the great expanse of the Pacific ocean and of the great strength of the Japanese navy. In any event, those of us who live on the Pacific would like to know what plan the government has for the development of naval forces on that coast.

Mr. MACDONALD (Kingston City): I should like to consider the matter.

Mr. GREEN: If the minister would like to consider it, he might make a statement at another time.

Mr. MACDONALD (Kingston City): I shall answer it some other time.

Mr. GREEN: I have another question. It has to do with the report of Admiral of the Fleet, Viscount Jellicoe, who came to Canada in 1919 at the request of the dominion government of the day and made quite an extensive report on possible naval plans for Canada. In this report he mentioned four types of fleets which Canada could build, depending upon how much money was to be spent, and in all his plans provision was made for the building of submarines. Each of the three smaller plans calls for eight submarines; the larger one calls for sixteen; also, in three of the four plans the recommendation is made that we should have a certain number of light cruisers. Other types of capital ships are also recommended. Has the government decided not to aim at acquiring ships of these various types; and has it decided not to follow the Jellicoe report? I think it would be of interest to the committee if the minister could give the government's stand on that question also. I realize that the report is twenty-four years old and that conditions have probably changed a great deal, but I would ask the minister to say a word with regard to this Jellicoe report. Perhaps he would also like to take time to look into that question.

[Mr. Green.]

Mr. FRASER (Peterborough West): Will the minister answer my questions at the next sitting of the house, or now?

Mr. MACDONALD (Kingston City): I should prefer to answer them later. I shall have to look up some papers.

Mr. HAZEN: Dependents' allowances are granted to what are known as common-law wives of men who enlist in the army. I do not think there is in our law any such thing as a common-law wife: the term is used in a very broad sense. Is there any similar provision in connection with men who enlist in the navy? I have been informed by somebody that there is not. If there is not any provision, why is this distinction made between the men who enlist in the army and the men who enlist in the navy?

Mr. MACDONALD (Kingston Ctiy): I shall have to look into that. I do not know whether common-law wives exist in the navy or not.

Mr. HANSON (York-Sunbury): I'll bet they do.

Mr. FRASER (Peterborough West): The dependents' allowance regulations refer to "child or children." Now, as to whether they are of an unmarried mother or not—

Mr. MACDONALD (Kingston City): That is the same problem.

Mr. FRASER (Peterborough West): Children's societies throughout Canada are very much interested in that.

Item agreed to.

3. Travel, transportation and freight, $6,978,000.

Item agreed to.

4. Construction, purchase, repairs and operating expenses of properties:

(a) capital expenditure	$36,579,608
(b) repairs, operating expenses and rentals	6,267,182

Mr. HANSON (York-Sunbury): I wish to ask the minister something about the installation at Deep Brook. Why was it located there? Is it intended to be a permanent institution; if so, why was it located there? Or is it a war-time institution; and if it is, why were so many millions spent there? And, generally speaking, why this concentration in Nova Scotia when something like that might have been built in the neighbouring province of New Brunswick, which is just as much interested in the navy as is Nova Scotia? I must say that I was astonished to learn that a

training school was being built at a place like Deep Brook which is not on the sea. It is hardly on the Annapolis basin.

Mr. MACDONALD (Kingston City): Oh, yes.

Mr. HANSON (York-Sunbury): Well, it is on an arm of the Annapolis basin, where the tide ebbs and flows twice in twenty-four hours and leaves the flats dry.

Mr. MACDONALD (Kingston City): Oh, no.

Mr. HANSON (York-Sunbury): Of course it is not a naval station; it is, as I understand, a naval school. Why was it located there? Has the fact that the Minister of Finance is the representative of the county anything to do with the situation? Why was it necessary to put it there, and why such a large expenditure? Then I wish to ask the minister some questions with respect to the building of a naval base on Sydney harbour. I think the name of the place is Port Osborne.

Mr. MACDONALD (Kingston City): Point Edward.

Mr. HANSON (York-Sunbury): I assume it is a wise thing not to have all the naval bases concentrated at one place. I think there is too much concentration in Halifax now. The Canadian admiralty built, I believe, a huge new graving dock at Halifax.

Mr. MACDONALD (Kingston City): No.

Mr. HANSON (York-Sunbury): I may not be correct in the designation of the plant which was built there, but an extensive operation was undertaken and is at that point. Also there are huge ammunition dumps in the locality, and one bomb from a submarine could explode the whole thing. Why was there so much concentration at that point? Point Edward, I understand, is on Sydney harbour. My information is that Sydney harbour proper is frozen for four months in the year; ships have to use the outside port in winter time. How can you have a naval base which is infested with ice? Not only is the harbour proper frozen over, according to the information I have, but the drift ice in the early part and the latter part of the season makes it more or less inaccessible. Is it intended to use ice-breakers to maintain this as an open port the year round?

Then I should like to have the minister's explanation as to the character of the construction there. My understanding is that the buildings were put upon filled land, that the concrete was poured and that on account of the instability of the foundation the backbone of the building was broken and the work had to be done over again at great expense. It would appear from what I have heard that faulty judgment was used with respect to the construction at Point Edward. I should like to have the minister's defence on these two projects.

Then I wish to know why the minister has not gone ahead with the proposals for the arrangements at Saint John. Surely they are entitled to that, after all that has been said and done. It is a very moderate installation that was contemplated. The land was purchased, I believe, but no construction has taken place. I once told the minister that if he would come to Saint John, New Brunswick, we would bring out the bagpipes and give him a good, decent reception, but I am afraid that invitation will not hold out indefinitely unless he does something. I undertake that if he visits that city he will have a friendly greeting, because Saint John is intensely interested in the navy. There is no doubt that the people are navy-minded. They have had a volunteer naval reserve there for a long time, and I remember that, years ago, when I was connected with the navy league, no community was more ready to befriend it than the city of Saint John.

Mr. MacNICOL: They used to have a large corps there.

Mr. HANSON (York-Sunbury): Yes, that is so. Since I have not been connected with the league for a good many years I do not know what the position is now. I think the minister owes an explanation of why New Brunswick has been, if I may use the expression, ignored. The minister took great exception to an editorial in the Saint John *Telegraph-Journal* which the hon. member for St. John-Albert quoted at some length here the other evening, but I wish to tell the minister that that editorial exactly reflects the views of the people of that city, and he might as well know that from me.

I am not critical of the minister. I want to see the navy grow; I want to be considered a friend of the Canadian navy. I am very proud of our navy; I have a number of friends serving in it, and I hope it will be perpetuated after the war as one of the armed services of which Canadian citizens can be proud. I am sure it will be. I only wish we had more capital ships—I used inadvertently once before the expression "fighting ships" when I meant capital ships—in order that we could take a real part in the invasion of Europe, and so that it could be said to our glory that the Canadian navy had a part in what happened on the other side. It is not our fault; it is not the fault perhaps of anybody present, that

we have not done more in this regard, but I have always felt that Canada was derelict in her duty towards the navy that protected our trade lines, our sea lines, our life lines; and during the period three years ago, just after the fall of Dunkirk, the one arm of the British service that stood between us and invasion was the British navy. Yet we had never contributed a single dollar toward its upkeep or support in all those years. I invite the minister, therefore, to give us some information about these capital expenditures, and I should like him to defend Deep Brook. Why for a temporary installation it was necessary to spend $13,000,000 at Deep Brook—

Mr. MACDONALD (Kingston City): The contract price is $8,000,000.

Mr. HANSON (York-Sunbury): We all know what that means. That may be the figure on paper, but the complete construction and equipment of Deep Brook will run to $12,000,000, and after the war it will be gone.

Mr. HAZEN: I was surprised to hear the minister say that the contract price of Deep Brook was $8,000,000. I should like him to tell us how much of this item 4, $16,490,051.37, was spent on Deep Brook. The minister did not tell us last May when the training centre was to be established there, although in all probability plans had been decided on at that time. We were not told that the work was to be done without calling for tenders. I have some other questions I wish to ask the minister. We were not told that work was to be done without tenders, and we did not know why the undertaking was kept secret until it got under way. We did not know that this training school would cost, not $8,000,000 as the minister has said, but upwards of $12,000,000, or that the contract had been made on a cost plus a fixed fee basis, until a return was tabled in the house on March 30 of this year to a question asked by the hon. member for Cumberland (Mr. Black). According to the return, the estimated cost of the completed project is: Land, $55,200; buildings, $7,775,000; gradings and roadways, $227,000; drainage and water supply, $295,000; electric services, $248,000; wharves, $455,000; furniture and equipment, $733,000; other expenditures, $1,294,766, or a total of $11,082,966.

It seems to me that an expenditure of upwards of $12,000,000 to establish a naval training centre in the fourth year of the war calls for some explanation, and in my opinion it is open to criticism. Our present naval strength is between 55,000 and 60,000. Many of these men have completed training. The minister has told us that 20,000 are at sea; I have asked for figures showing how many are on land who have completed training; and the remaining number are now being trained at training centres that have been established at great cost in various parts of Canada. They are being trained, as the minister told us, at 18 R.C.N.V.R. divisions, sixteen or seventeen naval bases and training schools, at technical schools and universities and on ships. Why at this late date of the war, when the present naval strength is between 55,000 and 60,000, it is necessary to expend such an enormous sum of money for another training centre is a question which I think the minister should answer. Does the minister expect that this war will last forever? Does he count on an inexhaustible supply of man-power? Will he tell us what the size of the Canadian navy is to be when at full strength? Is there any over-all plan?

We know that Canada has plans to maintain an army overseas, an army consisting of two corps. Has any plan been made by the government to determine what the size of the Canadian navy is to be? It seems to me that at this stage of the war there should be some over-all plan. The government should know what its objectives are and exactly what it plans to do. When the Deep Brook training centre is completed, and I should like to know when it is expected that it will be completed, will any of the present training centres be closed? Is it the intention of the government to train both men and officers at Deep Brook? What is the nature of the training they are to receive there, and how long will the course or courses of training last which they are to receive?

The minister told us the other day that it requires six months' training for a man to qualify for the lowest rating. The return to which I have just referred, brought down for the hon. member for Cumberland, states that when the work is completed, it is planned to have 6,000 men under training at one time and 2,178 of an operating staff. In other words, it will take 2·75 persons for every six persons being trained. The camp that was established at Debert in Nova Scotia cost about $5,000,000, and the Minister of National Defence told us the other day that it has accommodation or training capacity for 13,000 men. Here we are spending at least $12,000,000; it will probably be a great deal more than that before we are through, and we shall have training capacity for only 6,000. At this late stage of the war when many thousands of men have been trained for the navy, when training centres have been established all over the country at a cost of millions of dollars, this expenditure is open to some criticism, and it is the duty of the min-

ister to tell us why it had to be undertaken. Twelve million dollars is a tremendous sum of money, and to spend that money on a temporary building which will be torn down after the war, when there are training centres established all over the country, and to have it established at this late stage, is, I repeat, open to criticism. It is something that the minister will have to explain.

Mr. MACDONALD (Kingston City): I may say in reply to the hon. member who has just taken his seat that I am first of all surprised to hear him ask what is the over-all plan for naval strength. I thought my hon. friend, and those who think with him, had urged from the beginning that there should be no limit to anything—no limit to the number of men we should train, no limit to the number of men we should send overseas, no limit—

Mr. HAZEN: There has to be a plan, though.

Mr. MACDONALD (Kingston City): That has been the cry, and nobody has been more vociferous than my hon. friend.

Mr. HANSON (York-Sunbury): There has to be a plan, though.

Mr. MACDONALD (Kingston City): A plan, yes; and the plan of the hon. member for York-Sunbury, from the beginning, has been that we should send overseas every man we could possibly train.

An hon. MEMBER: And another division to Australia.

Mr. MACDONALD (Kingston City): Yes, and another division to Australia. My plan is to train as many men as I can get for the Canadian navy, and as I have ships to hold. That is my plan, and I have never wavered from it.

An hon. MEMBER: And the air force, and the army?

Mr. MACDONALD (Kingston City): The air force will get some. Not every man wants to go into the navy, or is suitable for it. But I am prepared to go ahead, as long as I can get the men and the ships to put them in. My hon. friend talks about Deep Brook. He says that last May some question was asked me about Deep Brook, and that the matter was kept secret. I may say to my hon. friend I resent that statement coming from him, or anybody else.

Mr. HAZEN: I rise to a point of order.

Mr. MACDONALD (Kingston City): Well, rise.

Mr. HAZEN: I did not say that last May some question had been asked with respect to Deep Brook. The minister misunderstood me.

Mr. MACDONALD (Kingston City): No, I did not. It was quite evident on this side of the house. I think I must say that my hon. friend sometimes when he wishes not to be heard has the habit of not allowing himself to be heard.

Mr. HANSON (York-Sunbury): That is unnecessary; take that back.

Mr. HAZEN: I resent that remark, and I think it should be withdrawn. I have never attempted to speak in a voice which could not be heard, although I must say sometimes it is difficult to hear in this chamber. I admit that. I will ask that that remark be withdrawn.

The CHAIRMAN: There is no point of order. There is no withdrawal of a statement of that kind.

Mr. GRAYDON: I rise to a point of order. We have been attempting, so far as this party is concerned, to facilitate the passage of these estimates on the war appropriation bill. I think the minister will not be able to direct any remark to the contrary, so far as I am concerned personally, because I have scarcely risen during the discussion of the whole of the estimates. But I wish to say this, that the conduct of the minister last night and the conduct of the minister again now is of a character that makes it difficult for us to facilitate the passage of the estimates as quickly as might be possible. But I do suggest to the minister, in all friendliness, that I think he ought to adopt a little better manner toward us with respect to the whole matter. I say that because, after all, we are trying to help him. Certainly we are not trying to hinder.

Mr. MACDONALD (Kingston City): Well, what is the point of order?

Mr. GRAYDON: May I say this to the minister, that his reference to the hon. member for St. John-Albert was that the hon. member had, by virtue of some preconceived idea, spoken so as not to be heard in the house. In that way he imputed a motive to the hon. member, and because he did impute a motive I ask him to withdraw. Let us not have all this bickering that has been going on. I may say that a large part of the responsibility rests with the minister, and I say that in the most friendly fashion, because he knows how it is directed. But could the minister not be good-tempered during debate from now on, and make sure that we are able to facilitate the passage of these estimates?

Mr. MACDONALD (Kingston City): Mr. Chairman, I think I should clear up the point about some controversy between the hon. member for Broadview—who, I notice, is not in his seat at the moment—and myself. But I must say—

Mr. GRAYDON: You have been watching him pretty carefully.

Mr. MACDONALD (Kingston City): I must say I was amazed. I did not wish to interrupt the hon. member for Broadview as he spoke this afternoon—

Mr. HAZEN: Before we get to the hon. member for Broadview, I rise to a point of order. The minister has imputed a motive by suggesting that I dropped my voice so that I could not be heard.

Mr. GRAYDON: Deliberately.

Mr. HAZEN: That is the motive he imputed to me. I ask him to withdraw it.

The CHAIRMAN: On the point of order, I have listened attentively to the discussion, and I could hear no unparliamentary expression, any more than when I listened to the leader of the opposition, when he made reference to the temper of some of the statements made by the Minister of National Defence for Naval Services.

Mr. MACDONALD (Kingston City): Thank you, Mr. Chairman. I wish to observe, in answer to the remarks of the leader of the opposition—and I am sorry the hon. member for Broadview is not in the chamber at the moment—that I never saw or read anything like the statement which the hon. member made. I simply placed on *Hansard* last night a series of quotations from speeches made by the hon. member for Broadview, dating back to 1926. Those were references to the Canadian navy. They were made one after the other—1926, 1928, 1940, 1942 and 1943. And I ended up by saying I had to have regard to the nature of those references rather than to the protestations whch the hon. member might have made last night.

This afternoon the hon. member rose in his place in the house, and spoke of personalities, asking why he should be singled out for attack, and stating again that he has been attacked. But nothing of the kind was done. If an hon. member in the house cannot quote the record of another hon. member on a certain point—in this instance the naval policy of Canada, and the quality of the Canadian navy—then we are coming to a curious state of affairs. And it is absurd for the hon. member for Broadview to attempt for one minute to shift the whole burden of proof, by saying that I started this attack, when for twenty years he has been referring to toy navies, tin-pot navies, navies locked up in garages, contemptible little navies, navies that cannot put to sea, and the like. It is absurd for him to think he can say that, and it will be perfectly all right, but when I draw attention to it, and put things on the record one after the other, to show the character of his remarks, that will be terrible! I am making an attack on him when I put his own record on *Hansard!*

Now, as to the hon. member for St. John-Albert, I say that this afternoon he suggested—there is no doubt in the world that he suggested that last May it was known that Deep Brook would be the site for this—

Mr. HAZEN: That is just what you did not say, You said that I stated that last May you had been asked a question about it.

Mr. MACDONALD (Kingston City): Whether I was asked a question or not, my hon. friend's inference this afternoon was that last May—and I do him justice when I say it—I knew that this establishment would be in Deep Brook, and yet said nothing about it in the house. My hon. friend implied that. In that case my hon. friend implies I concealed something from the house that I should disclose to it. I resent that implication, and my hon. friend ought to retract it.

Mr. HAZEN: The statement I made was that "in all probability"—

Mr. MACDONALD (Kingston City): Oh, well, that is the same thing.

Mr. HAZEN: No, it is not the same thing.

Mr. MACDONALD (Kingston City): My hon. friend had better sit down.

Mr. HAZEN: Quote me correctly, then.

Mr. LOCKHART: Have it taken from *Hansard,* if it is not right.

Mr. MACDONALD (Kingston City): What I wish to say to the hon. member for St. John-Albert is this: The decision to build a base at Deep Brook was reached by the naval authorities. I could give him the history. The first idea was that the base should be built at Shelburne, Nova Scotia. At that point there is a good harbour, open the year round. It had a certain number of naval buildings and air force buildings, and some army buildings. That was the spot originally chosen for the base. But when the engineers and contractors looked at Shelburne they found that the drilling for the excavation work necessary would be very expensive, owing to the character of the soil. It is a very heavy, rocky

soil. They said that the expense of laying the foundation of the buildings would be too great, and that, if possible, some other spot should be selected.

Mr. HANSON (York-Sunbury): Was it not because the harbour was too much exposed?

Mr. MACDONALD (Kingston City): No, no.

Mr. HANSON (York-Sunbury): Exposed to attack?

Mr. MACDONALD (Kingston City): Oh, no.

Mr. HANSON (York-Sunbury): There is something in that.

Mr. MACDONALD (Kingston City): Well, of course, if my hon. friend knows more about this than I do, and knows more about what went on than I do, he ought to come over here.

Mr. HANSON (York-Sunbury): I think I could do as good a job as the minister is doing, anywhere, at any time.

Mr. MACDONALD (Kingston City): There was never any question about the exposed nature of Shelburne harbour. The whole question was the expensive type of excavation that would be required.

Mr. HANSON (York-Sunbury): I do not want to be misunderstood as attacking the harbour, for it is a good harbour. What I was trying to convey was that it was on the Atlantic coast and, therefore, might be more exposed to attack than a harbour in the interior waters. I want that made quite plain.

Mr. MACDONALD (Kingston City): No, I do not think that feature came into the matter at all. It was largely because so many pipes have to be run in an establishment of that kind, water pipes, sewer pipes, perhaps gas pipes; foundations had to be dug, and if you had to go through rock the engineers and construction people said the cost would be almost prohibitive, so that another place had to be selected somewhere. Various places were considered; some place in Lunenburg, some place in Yarmouth. Finally this Deep Brook site was selected by those interested in training and by the admiral commanding the Atlantic coast, and it is an excellent site from the point of view of building, at any rate. The basin of Annapolis is salt water; when you pass through Digby gut you are out into the bay of Fundy. It is fairly near Halifax, from the point of view of supervision, and can be reached by the Canadian Pacific either through Saint John and Digby or by way of Halifax.

My hon. friend talks about training centres established in other parts of Canada at great cost, and his view is that as a result there was no need, in the fourth year of the war, to spend some $11,000,000, as he has it, on Deep Brook. I have the figure here of $8,800,000, which is for the buildings. My hon. friend's figure covers the wiring, the wharves and the other incidentals to a base.

Mr. HANSON (York-Sunbury): It is all public expenditure.

Mr. MACDONALD (Kingston City): That is right; I took the buildings and he was looking at the whole expenditure. I may tell my hon. friend that when I came to Ottawa, nearly three years ago, the department of naval services did not own a single foot of land except at Halifax on the east coast and Esquimalt on the west coast. Not another bit of land was owned by the department, which was operating in rented buildings. We have had a great deal of difficulty in trying to get matters straightened out in Saint John, but I believe within a short time they will be straightened out. In Montreal, Toronto, Winnipeg, and everywhere else the navy was operating in that way; it did not own a single foot of land or a single building. I will say this, that the training facilities in this country are not at all sufficient for the training of our men. Furthermore, even though some men are trained at sea, a great many of them are being brought back for advanced courses. The man who starts out at sea as an ordinary seaman may require to be brought ashore for a specialist course in torpedo work or gunnery or asdic operation or signalling or any one of a great variety of courses. So that, while I believe there are some twenty thousand men at sea, there are some thirty-five thousand or so training in Canada, and there will be a constant flow of men back from the sea to receive further training at Deep Brook.

As to the situation at Sydney, I shall investigate what my hon. friend said. I do not think there is any fill there; the general lay-out of the land is very good—

Mr. HANSON (York-Sunbury): Is that Point Edward?

Mr. MACDONALD (Kingston City): Yes.

Mr. HANSON (York-Sunbury): I can tell the minister that I have first-hand information that the buildings were constructed on filled land; that the foundations gave way; that the

backbone of one of the main buildings was broken, and they had a terrible time fixing it up.

Mr. MACDONALD (Kingston City): Well, I do not know; some of the buildings may have been constructed on filled land. I saw some of the buildings while they were being erected, and they were not on filled land, but there may have been a building on such land and I shall look into it.

Mr. STIRLING: Will the minister say how many miles it is from the city of Sydney?

Mr. MACDONALD (Kingston City): It is just across the harbour. I think if you drive around by land it is about five miles.

Mr. STIRLING: It is in the same inlet?

Mr. MACDONALD (Kingston City): Yes. By boat it is a very short distance, less than a mile.

Mr. HANSON (York-Sunbury): It is part of Sydney harbour, is it not?

Mr. MACDONALD (Kingston City): Yes.

Mr. ADAMSON: Can the minister say what is the rise and fall of the tide?

Mr. MACDONALD (Kingston City): At Sydney?

Mr. ADAMSON: No; at Deep Brook.

Mr. MACDONALD (Kingston City): I cannot say exactly; it is not as great as in the bay proper. Probably it is ten or twelve feet, but there is always ample water in the basin.

Mr. HANSON (York-Sunbury): There is twenty-eight feet in the basin at full tide.

Mr. MACDONALD (Kingston City): Perhaps; I can find out. There is always ample water in the basin.

Mr. HANSON (York-Sunbury): It is mostly dry land, except at high water.

Mr. MACDONALD (Kingston City): No; ships go right up the basin, beyond Deep Brook.

Mr. HANSON (York-Sunbury): At high water.

Mr. MACDONALD (Kingston City): Oh, no.

Mr. CHURCH: I wish to ask a question in regard to some property in the city of Toronto. The minister said I was absent from the chamber on two occasions. I have complained to this minister, Mr. Chairman, about the fact that in the city of Toronto the whole exhibition grounds on the water front have been given over to this department. It has the large automotive building right near the Prince of Wales gate; then along the water front there is a whole system of huts running from the foot of Yonge street as far down as Sherbourne street. The minister says I have been attacking the navy for twenty years. How could I attack the navy when there was no navy?

Mr. MACDONALD (Kingston City): That is an attack in itself—

Mr. CHURCH: I have the floor.

Mr. MACDONALD (Kingston City): —and that is what you have been doing for twenty years.

Mr. CHURCH: I am not going to be interrupted by this hon. gentleman any more. I have the floor, and the rules of the house prevail in committee, which is something the minister apparently does not know.

Mr. MACDONALD (Kingston City): I know a great deal more about the rules than the hon. member does.

Mr. CHURCH: That may not be the rule in Nova Scotia, but it is the rule up here.

Mr. MACDONALD (Kingston City): I may tell my hon. friend that the Nova Scotia rules are a great deal older than the rules of this parliament.

Mr. CHURCH: Hon. members may bang their desks all they please; I am going to ask a question in regard to a number of properties purchased or rented in the city of Toronto. I shall take only two or three moments.

The CHAIRMAN: Six o'clock.

Mr. MACDONALD (Kingston City): What is the question?

The CHAIRMAN: By consent of the committee the hon. member may ask the question.

Mr. CHURCH: I was given a return in regard to certain properties purchased in the city of Toronto for the use of the navy. A mansion house was one of them on Crescent road. May I point out that there has been an absolute wastage of money in this regard in repairs and upkeep. They have the exhibition grounds—

Mr. MACDONALD (Kingston City): Order. Is the hon. gentleman asking a question, or is he not?

Mr. CHURCH: I asked a question in regard to a mansion house on Crescent road in the city of Toronto; the navy moved as far away as that. The question was made an order for return; it asked the cost of the property and the cost of the repairs, but the reply was, "No information." Then they went

over to Queen's Park crescent and took Sir Joseph Flavelle's house. My point is that there should be some coordination between the three departments on heavy repairs and maintenance, so as not to have this duplication and waste in the city of Toronto; and further that they should begin to look after the housing of our soldiers' families instead of putting people in mansions like those. There may be some explanation, but if there is the minister has never given it to me, and I think I am entitled to it.

Mr. MACDONALD (Kingston City): The rent for the Crescent road property is a dollar a year, I believe.

Progress reported.

At six o'clock the house adjourned, without question put, pursuant to standing order.

Thursday, June 10, 1943

The house met at three o'clock.

PRINTING OF PARLIAMENT

First report of joint committee of both houses on the printing of parliament.—Mr. Ferland.

NATIONAL REVENUE ACT

AUTHORIZATION OF APPOINTMENT OF DEPUTY MINISTERS FOR TAXATION AND CUSTOMS AND EXCISE

Hon. C. W. G. GIBSON (Minister of National Revenue) moved for leave to introduce Bill No. 108, to amend the Department of National Revenue Act.

Some hon. MEMBERS: Explain.

Mr. GIBSON: Mr. Speaker, owing to the appointment of Mr. Hugh D. Scully as consul general in New York there is a vacancy in the office of commissioner of customs. This bill provides for the combining of the office of commissioner of customs with that of commissioner of excise and raising the status of the commissioner to that of a deputy minister. It also provides for raising the status of the commissioner of income tax and succession duties to that of a deputy minister.

Section 2 of the bill is to authorize the Minister of National Revenue to administer certain sections of the Special War Revenue Act. Under the Department of National Revenue Act the minister is responsible for administering sections 4 to 14 of the Special War Revenue Act. This bill places section 2 and sections 15, 16 and 17 of the Special War Revenue Act under the jurisdiction of the Minister of National Revenue.

Mr. GRAYDON: Will the new deputy minister of customs and excise be the present commissioner of excise?

Mr. GIBSON: That appointment has not been made. It will be made by order in council.

Mr. GRAYDON: But he is not barred?

Mr. GIBSON: Certainly not.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

WARTIME PRICES AND TRADE BOARD—MONT LAURIER OFFICE

Mr. LALONDE:

1. Who is the representative of the wartime prices and trade board at Mont Laurier, Quebec?

2. Have any complaints been received by the board with respect to the management of the office at Mont Laurier?

3. Have any investigations been made of such complaints?

4. If so, (a) on what date; (b) by whom?

5. What were the findings of such investigations with regard to, (a) the purchase by said representative of an automobile tube from a garage owner at Mont Laurier; (b) the resale of said tube to a third party?

6. Was said representative discharged or sued before the competent court?

Mr. ABBOTT:

1. Mr. J. Alphonse Forget.

2. Yes.

3. Yes.

4. (a) November, 1942; January, 1943; February, 1943; May, 1943. (b) Inspector for the controller of supplies in the province of Quebec. The Wartime Prices and Trade Board. Royal Canadian Mounted Police.

5. (a) (b) In the month of July, 1942, Mr. J. Alphonse Forget purchased from a garage owner in Mont Laurier one new 600 x 16 tube for the sum of $2.76 tax included and later sold this tube to a resident of Mont Laurier for the same amount. An investigator has filed a written statement of Mr. Forget to the effect that the above purchase and sale was made with a view to possible prosecution proceedings which however, for reasons outlined in the statement, were not instituted. In the absence of any evidence to the contrary, the explanation contained in this statement has been accepted.

6. No.

MILITARY SERVICE—MEDICAL REVIEW BOARD

Mr. BERTRAND (Terrebonne):

1. Has the Department of National Defence a medical review board in Montreal where recruits are called after having been already declared unfit for military duties by the Registrar of National War Services?
2. If so, where is it located?
3. How long has it been in operation?
4. Who is the doctor in charge? Is he a military or civilian doctor?
5. Who are the other doctors attached to such board, and are they military or civilian doctors?

Mr. MACDONALD (Halifax):

1. No. The Department of National Defence at the request of the Department of Labour has provided the personnel for a medical board in Montreal which is responsible to the Minister of Labour and which operates under national selective service regulations. Its function is to review the medical status of men who have been placed in categories "C", "D" and "E" by the family physician. The board works exclusively as a revision board for national selective service and does not act as an army examining board.

2. 1121 St. James Street (formerly located in the Transportation building).

3. Since 7th January, 1943.

4. Major J. B. Trudelle, R.C.A.M.C. He is a military medical officer.

5. The following are attached to the board:

Military.—Captain J. A. Guy, Lieut. M. Thiberge, Lieut. J. C. L. Goudreault, Lieut. J. F. Mutch, Lieut. J. C. Preece, Lieut. E. Peterson, Captain E. Bruneau (Reserve Army).

Civilian.—Dr. J. Lussier, Dr. J. Tetreault, Dr. G. A. Thiboutol.

H. J. SYMINGTON, K. C.

Mr. DORION:

What are the various executive positions held by Mr. Symington, a dollar-a-year man?

Mr. CHEVRIER: Refer to page 2927, *Hansard,* May 24, 1943.

TREASURY BOARD AND ADVISORY COMMITTEE

Mr. COLDWELL:

1. Who are the members of the treasury board?
2. Who are the members of the advisory committee to the treasury board?
3. What other positions are held by the members of this advisory committee?

Mr. ABBOTT:

1. Minister of Finance, Chairman; Minister of Mines and Resources; Minister of Justice; Minister of Agriculture; Minister of National Revenue; Minister of Trade and Commerce.

2 and 3. Under the terms of order in council P.C. 2/584, dated January 23, 1943, a committee was set up to advise the treasury board on matters of administration and personnel. The members of this committee and their positions are as follows: H. J. Coon, Executive Assistant, Head Office, Bank of Nova Scotia; C. H. Bland, Chairman, Civil Service Commission; B. J. Roberts, Member, National Harbours Board; A. Thivierge, Civil Service Commissioner; W. C. Ronson, Assistant Deputy Minister of Finance.

CANADIAN FORCES—DELIVERY OF MAIL TO MEN IN CAMPS

Mr. POULIOT:

1. Has the Department of National Defence given instructions to training camp authorities not to immediately deliver correspondence sent to conscripts, (a) by their relatives; (b) by members of parliament?

2. If so, (a) what are the instructions; (b) to what camps were they sent?

Mr. MACDONALD (Halifax):

1. (a) No. (b) No.

2. (a) Answered by 1 above. (b) Answered by 1 above.

UNEMPLOYMENT INSURANCE COMMISSION—ALLAN M. MITCHELL

Mr. STOKES:

1. Is Allan M. Mitchell a member of the unemployment insurance commission?
2. If so, when was he appointed?
3. What is his remuneration?
4. What positions did he hold, and/or what was the nature of his business or employment during the ten-year period prior to his appointment?

Mr. MITCHELL:

1. Yes.

2. September 24, 1940.

3. $8,000 per annum.

4. (a) Managing Director, President and Chairman of Robert Mitchell Company (Manufacturers of railway equipment, architectural bronze and iron, brass and iron foundries). President of Garth Company (Plumbing, Heating and Ventilating Engineers and Steamfitters Supplies). President of National Bronze Company (Manufacturers of railway car bearings). Director of Canadian Cutler Mail Shute Company (Manufacturers of mail chutes). Vice-President of Mitchell, Holland Company (Interior decorators). Director of Thrift Stores, Limited (Grocery chain stores). Director of Investment Foundation, Limited (Investment Trust). Director and Vice-President of United Gold Equities, Limited (Investment Trust). Treasurer of Montreal Board of Trade. Director of Canadian Chamber of Commerce. Governor of Lower Canada College. (b) General business administration and investments.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CANADIAN FORCES—POST-WAR REHABILITATION—FARM LABOUR

Mrs. NIELSEN:

1. Has a questionnaire been placed before the armed forces having reference to post-war rehabilitation?

2. If so, how many expressed a desire to return to farms?

3. What percentage of the total number was this?

WABASSO COTTON COMPANY—CONTRACTS

Mr. GAUTHIER:

1. Has the Wabasso Cotton Company, of Three Rivers and Shawinigan Falls, any contracts with the federal government?

2. If so, (a) for what amount; (b) are they subject to the wage scale imposed by the government?

CANADIAN FORCES—SUMMER UNIFORMS

Mr. CHURCH:

1. How are summer uniforms supplied, (a) for the army, navy and air force at home and overseas; (b) for the women's army?

2. What provision has been made to give the army a better type of summer uniform; one more adapted to the climates of the various camps throughout Canada?

3. What action has been taken, and are all army camps now supplied with summer clothing and uniforms?

LIVE STOCK

ALLEGED DIFFICULTY IN MARKETING CATTLE—COMPLAINT OF CARDSTON FEEDERS' ASSOCIATION

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, I desire to ask a question of the Minister of Agriculture. Has it been brought to his attention that the Feeders' Association Limited of Cardston is having difficulty in marketing finished cattle,—is finding the packing houses indifferent? Will the minister investigate this matter and report to the house at an early day?

Hon. J. G. GARDINER (Minister of Agriculture): The hon. member was kind enough to send me a copy of the question he desired to ask, and that is the first intimation I have had that any difficulty is being experienced. As was announced to the house last week, the meat board was set up to deal with situations of this kind so far as it is possible to do so.

HOUSING

CONDITIONS IN THE TOWNSHIP OF ETOBICOKE AND MUNICIPALITY OF NEW TORONTO

On the orders of the day:

Mr. A. R. ADAMSON (York West): I should like to ask a question of the Minister of Munitions and Supply. It has to do with the emergent situation now existing in the township of Etobicoke and the municipality of New Toronto. In view of this emergent situation which now exists in the township of Etobicoke with regard to the controversy between the township council and Wartime Housing, will the minister make a statement concerning what proposals can be made to alleviate the situation; and further would the minister or a representative of his department meet a group of officials and let us get the question settled?

Hon. C. D. HOWE (Minister of Munitions and Supply): I made inquiries on receipt of notice of this question. I am advised that certain negotiations are in progress between the officers of Wartime Housing Limited and the municipalities which are mentioned. Satisfactory progress seems to be indicated, and I see no purpose in myself meeting the officers of the township. I am not at the moment a party to the negotiations.

MILK

REQUEST OF TORONTO DAIRY COMPANIES FOR HIGHER STANDARD OF BUTTER FAT CONTENT

On the orders of the day:

Mr. BRUCE McNEVIN (Victoria): I wish to direct a question to the Minister of Finance with respect to the recent request of the dairy companies operating in the Toronto area to have the standard of butter fat content of milk supplied them by the producers raised from 3·4 to 3·6 per cent without increasing the prevailing price paid per hundredweight for milk. If such a change were authorized, the net result would be a reduction of the price paid to the producer amounting to seven cents per hundredweight.

Some hon. MEMBERS: Order.

Mr. McNEVIN: My question is: could the present arrangement with respect to the sale of whole milk by producers to distributors in the Toronto area for consumption be altered without sanction of the wartime prices and trade board?

Mr. D. C. ABBOTT (Parliamentary Assistant to the Minister of Finance): The answer to my hon. friend's question is, no. He was

good enough to give notice of it; and I am advised that no request for the approval of such an order has been received by the war-time prices and trade board. If it is, the interests of the milk producers will, I can assure him, be protected.

LABOUR CONDITIONS

SHERBROOKE, QUE.—LAY-OFF OF EMPLOYEES OF CANADIAN INGERSOLL RAND COMPANY

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): I wish to direct a question to the Minister of Labour. On Friday last I brought to his attention the lay-off of the employees of the Canadian Ingersoll Rand company at Sherbrooke. He mentioned at the time that there was a report that this lay-off was caused by union activities among the employees, but he was to investigate. I would like to know if he has any further information.

Hon. HUMPHREY MITCHELL (Minister of Labour): I did say there was a lay-off and also that there had been a complaint received from employees that some had been laid off because of union activity, and that a commissioner was being sent to Sherbrooke to investigate. I shall be glad to see if the commissioner's report has now been received by my department and shall inform my hon. friend.

PRISONERS OF WAR

QUESTION AS TO STEPS TO ENSURE MORE HUMANE TREATMENT

On the orders of the day:

Mr. T. C. DOUGLAS (Weyburn): I have a question to ask the Minister of National Defence (Army), and since he is absent I will direct it to his parliamentary assistant. Word continues to reach me that Canadian troops captured at Dieppe are still in chains. Will the Minister of National Defence outline what steps are being taken to endeavour to have the German government treat these men in a more humane manner? Also, will the government take into consideration making an announcement of the measures that will be taken after Germany is defeated, to punish those responsible for this barbarism unless it is discontinued at once?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, perhaps I had better answer that question. The whole matter of the shackling of prisoners in Germany has been the subject of very careful consideration between the British government and our own and other governments of the empire. Without agreement on the part of all it is generally understood that no statement will be made, for the present at least. What may be done after the war is over will be decided by the parliament that is in existence at that time. It may be this parliament; it may be another.

MAGNESIUM

INQUIRY AS TO UTILIZATION OF WILDMAN PROCESS

On the orders of the day:

Mr. S. H. KNOWLES (Winnipeg North Centre): Yesterday's edition of the Ottawa *Journal* contained a news item to the effect that reports have been made to the government concerning the possibilities of producing magnesium in Canada in unlimited quantities. Reference was made in particular to the new Wildman process. May I ask whether such a report has been received by the government; if so, what department is in possession of it; and has the government any statement to make at the present time?

Hon. C. D. HOWE (Minister of Munitions and Supply): I may say that the government has already organized the production of the magnesium that is required for its own war effort, with a surplus for export. I do not know whether the report mentioned has been received, but I can assure my hon. friend that the government has no intention of enlarging the present production of magnesium.

INCOME TAX

REFERENCE TO REFUNDABLE PORTION OF 1942 LEVY

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): In the press of June 8 an article appeared with regard to the refundable proportion of the 1942 income tax. Can the Minister of National Revenue tell the house what the position is in that regard?

Hon. C. W. G. GIBSON (Minister of National Revenue): I have not seen the article.

Mr. FRASER (Peterborough West): It was in the newspapers on June 8.

INQUIRY OF THE MINISTRY

PROCEDURE IN QUESTIONS ASKED ON THE ORDERS OF THE DAY

On the orders of the day:

Mr. J. H. BLACKMORE (Lethbridge): I desire to direct a question to the Minister of Finance. Will the minister cause the war-time prices and trade board or some other authority to investigate the prices at which

beef feeders in western Canada are at present being obliged to sell their beef, to determine whether or not beef feeders are able to derive such a remuneration for their 1942 and 1943 efforts as will encourage them to feed beef in other years?

Mr. SPEAKER: Order. The question is one to which the hon. member cannot expect an answer to-day. I have already brought to the attention of the house, not only during last session but also in this session, the matter of questions on the orders of the day. It is quite evident that many of these questions which are being asked, even though they are drafted as notice of motion to the ministers concerned, are not in accordance with the rules of the house. Any question requiring the deliberation of a minister or his department should be placed upon the order paper so that the minister and the department may have an opportunity to reply.

I may say at the same time that it is again becoming a general practice to refer to telegrams, reports in newspapers, and things of the kind which are reported in the daily press, and make them the subjects of questions on the floor of the house, although such questions cannot and should not be answered on the orders of the day. I would ask the house and I would ask hon. members who may be inclined to indulge in this practice to have some consideration not only for the Chair, who dislikes extremely to be always interrupting on these orders of the day, but to have regard for the rules of the house, with which all hon. members are conversant, and I think they ought to support the Chair in the attitude he is endeavouring to adopt.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I should like as the leader of the house to support what His Honour the Speaker has just said about the observance of rules and regulations, particularly as to the asking of questions on the orders of the day. I do that at this moment, because I know hon. members are hoping that we shall reach before long a stage when we will begin to wind up the business of this session. I think I may be able by conference with leaders of the different sides of the house to work toward that end without depriving any hon. members of full opportunities to discuss the questions which they wish to discuss. There are times and places to ask questions. Many of the questions which are being asked on the orders of the day should either appear on the order paper or might be taken up when the affairs of the departments are under consideration. The Speaker has referred to the practice of reading telegrams and extracts from newspapers and of basing questions thereon. Hon. members are aware that this is against the rules of the house. I believe that we shall all gain in the end if there is a close observance of the rules in that particular. Hon. members will be interested, I believe, in looking over *Hansard,* to see how much time has been taken up each week by questions that have been asked on the orders of the day, practically any of which, with one or two exceptions, might have been put upon the order paper and answered in the regular way. We are in this position in the house at the present time, that the government faces really four oppositions, if not more, and when one opposition raises a question, if it happens to be the official opposition, very often members of the Cooperative Commonwealth Federation party feel that they too must ask some question or other arising out of that one, and our friends of the Social Credit group have similar feelings and wish to ask questions—

Mr. BLACKMORE: Very seldom.

Mr. MACKENZIE KING: —while some members at the other end of the house feel that unless they also ask questions it may appear that their party is gradually disappearing. I say all this in the best of good humour for the sake of avoiding if possible an unnecessary waste of time from now until the end of the session and, as well, of helping to preserve the decorum of the house.

Mr. GORDON GRAYDON (Leader of the Opposition): I may say to the Prime Minister that the members of the house generally are anxious that there shall not be any undue delay in dealing with the various matters which are still to be disposed of before the end of this session. With reference to the right hon. gentleman's remarks about questions asked before the orders of the day, it is very difficult to lay down a yardstick that shall govern questions that are put at that time. There are many questions that are of urgent importance, particularly those that are of a public nature, which we as His Majesty's Loyal Opposition feel should be brought to the attention of the government, and we should not like to have our privileges in that respect too far curtailed. As far as possible we have tried to bring up on the orders of the day only such questions as in our judgment fall within this category, and I should not like to have the Prime Minister's statement, indicating a tendency to the curtailment of questions, to be taken by the house generally as implying the curtailment of those privileges

and rights which we as members of the opposition enjoy. I quite understand that he has not that in mind and I can assure him that in the questions that we do prepare and put to the government from this side of the house we try to keep within the limits laid down by the rules, and we shall continue to observe that policy so far as it lies in our power to do so. We would ask Your Honour, however, in view of the conditions of emergency that exist in the country to-day, not to apply the rule too strictly under extraordinary circumstances where the actual work of the house is not being interfered with by a number of unnecessary interrogations.

Mr. J. H. BLACKMORE (Lethbridge): While Your Honour did not definitely refer to my second question as being an example of questions that are out of order, nevertheless, the fact that your observation came after I had asked my question would carry that implication. May I ask whether or not Your Honour was able to detect that I asked merely for a report at a future sitting of the house? May I call the attention of the Prime Minister to the fact that the question of the price at which the feeders of beef cattle are obliged to sell their beef at the present time is a vital matter. They cannot sell their beef two or three weeks after they are finished—

Some hon. MEMBERS: Order.

Mr. BLACKMORE: The matter is vitally important—

Some hon. MEMBERS: Order.

Mr. BLACKMORE: If the beef feeders are obliged to sell their stock at prices too low it simply means that next year we shall have less beef, which is an exceedingly important matter.

Mr. SPEAKER: When the leader of the government was speaking he was referring to questions which were of an urgent character. I have always been very lenient and have given the widest latitude to questions to which an answer should be given immediately, and in the future I propose to continue to do so. Many questions, however, are being asked which, although they may have the appearance of urgency, have relation to the operations of departmental administration and should not be asked either on the orders of the day or as notice to the minister.

[Mr. Graydon.]

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Wednesday, June 9, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

NATIONAL DEFENCE FOR NAVAL SERVICES

The CHAIRMAN: Item 4.

Mrs. CASSELMAN: I wanted to say a few words when the estimates of the Minister of National Defence for Naval Services were under consideration before, but I was not able to do so; some of the long distance speakers got in before me. Yesterday the radio committee met while the house was in session and I hope that I am not out of order now in what I am going to say, because it would probably have come in better under one of the earlier items.

Some hon. members who have spoken on this question have come from the east coast and the west coast. May I point out that Alberta has done its part. In fact, all the western provinces have had their share in naval affairs, although we are far from either sea. In the prairie provinces we have 502 officers and 12,302 ratings, and the province of Alberta has led with 164 officers and 4,436 ratings, even though, as I say, we are a long distance from either ocean. Our men have taken part in the rigors of training, in the hardships of convoys, in the perils of combat. Our men have taken their share in the work and danger, in the deeds of gallantry and, at times, in the sacrifices that had to be made. We honour these men equally with the men of the air force and of the army, and I believe that those who have not yet had a chance to show what they can do will do so later and they will prove their worth.

I wanted to ask this question of the Minister of National Defence for Naval Services. Our men from Alberta, particularly those in the navy, when on leave have to travel a long distance from either coast, and I wonder if the minister would consider the question of free transportation for sailors on leave. This question was brought up before when the estimates of the Minister of National Defence were under review. I suggested that if free transportation could not be given, at any rate a ceiling should be put on railway fares so that men from the central provinces would not have to spend a couple of months' pay when coming home on leave. I hope the Minister of National Defence for Naval Services will consider the question.

May I speak again of the women in uniform. It is true that they are not in combat, not in actual physical danger, but if they take the place of those who are fighting, then it seems to me that they should be given the recognition which that deserves. I wanted to bring these two matters to the attention of the minister.

I do not think that we need fear that our men and women in uniform in any of the forces will let us down in the hour of combat, but we must see that they get the proper backing at home, not only from those who work in our shops or on our farms but from those who talk. It seems to me that in this connection we in this house have a definite duty to perform in the winning of the war. We should look at the matter in a broad light and not with too much detail, and try to keep up the morale of our people at home and abroad. Surely Mr. Churchill's winged words have shown more than anything else how much the morale of a country can be increased by those who talk.

Mr. McIVOR: While the minister is protecting his navy and explaining the service they have been giving to this country, he has received splendid support from the government. I should like to announce something that appears in this morning's papers, that the corvette *Port Arthur* has sunk another submarine and has sent it to the same place it sent the last one. I want to congratulate the minister from Port Arthur.

Mr. CHURCH: I want to see the minister's estimates go through, but there are one or two matters I should like to raise. I ask for the protection of the Speaker of the house from an editorial which appeared in the Montreal *Star* last night, Wednesday, June 9, attacking me. The editorial page is headed:

> The Montreal *Daily Star*.
> "Canada's Greatest Newspaper".
> Founded in 1869.

The headquarters are given as 241 St. James Street West, Montreal. The names of the editors are not given, but that of J. D. MacKinnon, secretary-treasurer, is mentioned. I have had a long connection with newspapers, especially away back in the days of the transportation fight in Toronto. As I said then, there is no use in trying to answer a newspaper, because they always have the last word. But I do object to criminal libel; I will not tolerate it. I appeal to you, Mr. Chairman, as representing His Honour the Speaker. I did not want to raise this matter on the orders of the day. I should like to quote citation 161 of the learned Clerk's textbook. This reads:

> —and the libel must be based on matters arising in the actual transaction of the business of the house.

A libel against an hon. member is a libel on the whole house of which he is a member. What are the facts? I will read the editorial and then under the rules of the house I will lay the article complained of on the table for whatever action Mr. Speaker sees fit to take.

On Tuesday afternoon I rose in my place to make a few moderate remarks. Ninety-five per cent of my time was taken up in discussing soldier problems and asking for greater care and better treatment of our men in the navy, army and air force. Yet this libellous article appears in this paper. This is not the first time this has happened. The correspondent of this paper in the press gallery states that I have criticized and ridiculed the Canadian navy. This article is false and malicious; it is not in the public good; it is not proper, it is not a fair comment. This paper has gone beyond the limits not only of civil law but of the rules of this house. A member of parliament should have protection, especially when the high court of parliament is meeting. I am not going to be intimidated, otherwise I might just as well resign. I never in my life attacked our soldiers or the navy. I know too much of what they have done since this war has started, the glorious record which has been rewritten in the history of courage by the brave men of our services on land and sea and in the air.

A few years ago I can remember Admiral Kingsmill and the other great man Commander Hose, and in addition there is the present head of the navy, Admiral Nelles, all splendid men and patriots. I urged that they be sent to the Singapore base before the war started and be given a chance to reorganize the department. I will read this article, and having read it I will place it on the table of the house. It is headed: "Beneath Contempt," and it goes on to say:

> —but surely nothing quite so contemptible as the attack on the Canadian navy made by Mr. T. L. Church, member for Toronto-Broadview, last night.

I never made any attack on the navy.

> Mr. Church, who is notorious for irresponsible statements, went on record in his comments on the navy department as follows:

Let them name one irresponsible statement. I am always sure of my facts before I make a statement.

—"locked up in a garage in Halifax," and "a tin-pot navy".

I do not like to mention names, but in the past there have been men who gave glorious services to the Liberal party and the country. Back in 1926 there were three or four ministers, such as Mr. Graham, a wonderful man, and there was Edward Macdonald, another splendid man; then there was the Hon. Mr. Lapointe, who was minister of justice, and, before that, Jacques Bureau. In addition there was my late colleague, the former member for Parkdale, Mr. David Spence, a beloved member of this house; "Admiral" William Duff and some twenty other members of parliament. If you go over the record of the house you will see some bits of levity about the navy and its good-will cruises and regarding the contribution made. It is not right to take two or three lines out of a seven- or eight-page speech. I never used the words "tin-pot navy." I made no remarks on March 17 of this year or last year. Then the article goes on to say that I said there was no necessity for the department. When the Minister of National Defence (Mr. Ralston) gave up the portfolio of finance to take over his present department, he received many bouquets, but since he has been at work he has been attacked, as I have been, on many occasions. Brickbats will not prevent me from doing my duty; I have been accustomed to them all my life. I never used that language in the editorial, as no navy could be operated without a department. Everybody knows what our navy has done; it started with nothing after the last war and it now has the admiration of the world.

I am a responsible member of parliament. Then they not only add insult to injury; they add innuendo when they say:

Inferentially, it is also a despicable insult to the splendid men who are fighting so gallantly and so worthily upholding the finest traditions of the British navy in defence of Canadian freedom.

In decency I move to have that stricken from the record. This particular paper is a Judas and we have never been able to elect a man within sixty miles of where it circulates. I now lay this upon the table of the house. Since I have been here I have not indulged in personalities; I have not said anything against the men of the navy; in fact I have referred many times to the glorious part played by the navy, and I urged that its chief officers be sent to the opening of the base at Singapore in 1938.

[Mr. Church.]

I want to point out that in and out of season I have worked for the men of the army and all the forces, and have recognized the matchless courage they have displayed during this war. I have never criticized the personnel of the navy. I have criticized the plant; I have criticized the policy of this government, in refusing to follow the lead of the mother country. Then these press officers seem to go into all the newspaper offices with articles of this kind. I was told by a newspaper man only within the last twenty-four hours that he had been given one of these articles. I do not know who writes them, but I say the editorial is false, untrue and malicious, and that it is not for the public benefit. Mr. Harold Ickes, who has been attacked in the United States in the same way, has called columnists of this kind calumnists, and that is what this one is. They have no right to try to intimidate me or libel me or the high court of parliament. That is all I want to say on that point, but if the minister has anything more to say about me personally I may speak again on the third reading.

Last night I asked a question with regard to the property administered by this department in the city of Toronto. I did not say Sir Joseph Flavelle's house was on St. George street; as one who saw the house built, and as one who was head of the city at that time, I think I know better than that. I am now referring to a dispatch in the Toronto *Globe and Mail* of this morning which says I referred to the huts on the waterfront. I did not say the huts on the waterfront were for the navy, but there was a large amount of money expended in the construction of those huts. I looked over some of them some time ago, and only about one-third are occupied at the present time, and surely if there were better coordination between the navy, the army and the air force some better use could be made of them. The army are using a post office on Bay street, which was built not for that purpose but for a post office. I was chairman of the harbour board when the land on which those huts were built was filled in, and I know something about it; I also handled the viaduct case, which had to do with twelve miles of the water front. I know something about Toronto; I do not have to learn anything from these newspaper columnists who have not been there long enough to know anything about the city. I told the minister yesterday I did not want to criticize what had been done, and that any criticism I had to offer would be constructive. I said I thought a great many of these navy services in the city of Toronto should be coordinated. Look at the exhibition grounds, on which the city of

Toronto spent nearly $24,000,000 for grounds, buildings and permanent exhibits. The city has given that property for the use of the government during the war for nothing, and there is an agreement about it. The navy has a large building at the entrance to the exhibition grounds, and the officers in the district there have done splendid work. Talk about criticizing the navy; why, the sea cadets have been at the Argonaut club since the beginning of the war; they took them in, and the club has not received a nickel for it, nor have any of the other aquatic clubs in the city. They have put on regattas and allowed the use of boats and equipment for the last fifteen or twenty years, ever since the last war.

As I said yesterday, I did not object to the navy having a lot of mansion houses if they want them and need them. There was a return brought down this year in reply to these questions which I asked:

1. Has the navy taken over a home on Crescent road, Toronto?
2. If so, for what purpose and at what cost?
3. How many officers and ratings are housed therein?
4. What are the terms of the lease and what is the cost of repairs and maintenance for the first year?
5. What fuel is used, from whom was it purchased, and were tenders called?
6. Who negotiated the use of this site?
7. What staff is there and how many of them have served in this war at sea?
8. How many are pay officers, what are their ages and navy services?

I know who negotiated the lease; it was a good man, a friend of mine, Colonel Gibson, who comes from a very patriotic family. We are told that the rental is $1 a year, but that is not the whole cost of the property. Then there is the other property, Trinity House, the old location of Trinity college, Toronto, over on St. George street, and there is also Sir Joseph Flavelle's property. Within a quarter or a half mile of Sir Joseph Flavelle's house, over on University avenue, only a few yards away from the house where Mary Pickford was born, people are living in trailers and so on; in some cases the father is away overseas and the mother is working in a munition plant and the children are in these shacks. I say there should be equality of treatment for the families of our soldiers, and when this sort of thing goes on it is bad advertising for the services. Here we have the Wrens in the mansion of Sir Joseph Flavelle while further down, on University avenue, we have the condition I have described. Mine is a great soldier constituency; it is a constituency of the working classes and the underprivileged people, and I have pointed out the situation that exists to the Minister of Munitions and Supply as to housing, for whom I have a very high regard and whom I knew when he was an engineer, in connection with the building of the harbour.

With regard to the property at Deep Brook, I suppose that might be compared with what was done at the Singapore base. There have been many mistakes made in the selection of sites and the construction of these bases. I have been to Halifax only twice in my life, and that was during the last war. I was in Halifax in 1917, when I said good-bye to several thousand of our troops who were going overseas. I have not been there since, but it is a splendid city. The British had an admiral there; I believe he was living in a tent, and there is another admiral of our own navy there also. I believe we should have greater cooperation with the British government in navy matters. In the past I have brought up other matters in this house, and rightly so; I referred to St. Pierre and Miquelon and in connection with the escort work in the Atlantic I simply quoted what Mr. Lyttelton had said in New York on November 11.

I do not take back anything, but you cannot pick just two or three sentences out of a whole speech in 1926 or 1928 and say I criticized the navy. I have never done that in my life. That is all I desire to say on the minister's estimates, but if he wants me down here again I shall be ready to come at a moment's notice. If he wants to get his estimates through, however, I suggest that he leave me alone, because never in my life have I attacked a soldier.

Mr. ROSS (Souris): I should like to ask the minister whether the purchase of property and the construction of buildings is entirely under his department or whether there is an association with the Department of Munitions and Supply or the Department of Public Works in that connection? Has the minister's department been offered the use of any large residences in the city of Winnipeg, for a small consideration, for the housing of Wrens, and is it the decided policy of the minister's department that in all such cases these houses must be either rented or purchased outright?

I had another question to ask yesterday but, like the hon. member for Edmonton East (Mrs. Casselman), I was attending a meeting of the committee on agriculture, which sat during the afternoon. Would the minister give the number of commissioned naval officers now stationed in Ottawa, or at headquarters?

Mr. MACDONALD (Kingston City): I shall come to my hon. friend's questions in due course, but first I think I should answer those asked yesterday, in the order in which they were asked.

First, the hon. member for Cape Breton South (Mr. Gillis) raised the question of free transportation for men in the naval service. The same question was discussed this afternoon by the hon. member for Edmonton East. The giving of free transportation to sailors would have to go along with free transportation for the other services. I can assure my hon. friends that the matter has been discussed frequently by the three defence ministers, but up to the present time the provisions which have been made seem to be about as far as we can go. I shall be glad, however, to take the matter up again with my colleagues, to see whether anything further can be done.

Then the hon. member for Cape Breton South asked some questions about merchant shipping, and the records of men serving. Strictly speaking, that question should be answered by the Department of Transport. Mr. Arthur Randles, of that department, who is director of merchant seamen, can, I am sure, deal with it. There is a record of all merchant seamen who sign on through what we call the manning pools, and the ships in which they serve are known. There is also a central index of seamen made in the Department of Transport by Mr. J. G. Macphail, director of marine services.

The hon. member wanted to know why some nurses were taken on and some rejected. The answer is that we have at least 2,500 applications from nurses in Canada who wish to join the naval nursing service, but up to date we have been able to take on only 132. It is obvious therefore that some must be disappointed. Other things being equal, I would say first come first served would be the rule. But we have to remember that some of those who apply have just graduated, while others have had four or five or sometimes ten years' experience. Naturally those with the longer experience would be favoured.

The hon. member for Lake Centre (Mr. Diefenbaker) raised some points of great interest—and raised them very fairly, as he always does. He wanted to know whether throughout the empire there was a uniform system of training, organization and the like. I believe throughout all empire navies the model and the plan used in Great Britain would be followed pretty generally. We would use the admiralty textbooks to a very large extent, and from this country at any rate there is always some interchange of officers with the British navy. I would not say of course that we could not vary that procedure or that British practice if we desired to do so. But generally speaking I think it will be found that the training of all empire navies is very similar.

The hon. member wanted to know if there was a central board controlling empire navies. My answer is, no.

Mr. DIEFENBAKER: In respect of the other dominions—other than Canada—is there such a central authority?

Mr. MACDONALD (Kingston City): I do not think so, although I have not looked into it. For instance I believe Australia would run its own navy. However, if a section of the Canadian or the Australian navy went to serve with a part of the British navy, thereby becoming part of the British force, they would normally be under the command of the senior British officer.

The hon. member for Bow River (Mr. Johnston) wanted to know something about the proportion of officers to men and pointed out what is quite true, namely, that some provinces have a very large proportion of officers to men as compared with other provinces. I think one of the explanations for that state of affairs would be that there are enlisted now in the Canadian Navy nearly one thousand officers of the merchant marine service. I should think the great majority of those officers would be from British Columbia, from the great lakes, Quebec and the maritime provinces. Most of the thousand men would come from those areas, thereby increasing the quota of officers from the provinces concerned. I would say to the hon. member however that in the training under the new system everybody starts in at the lower deck and works up to his commission; and under it there would seem to be no reason why the best men should not rise to the top. I am sure that under this new system men from the western provinces will prove themselves worthy of commissions to the same extent as men from the other provinces.

The hon. member for Bow River also raised a question as to the differential in allowances as between certain men in the naval service, pointing out that some are getting $1.45 a day as living allowance while certain others get only $1.25. The hon. member is right in that; that is a true statement. But may I say that when we took up the question of pay in the navy and endeavoured in some way to make the rates of pay in the three armed services uniform we found that some of our men were getting more pay and some were getting less than their corresponding army or air force brothers. We found that while we were paying $1.45 a

day for subsistence to sailors the army was paying only a dollar—I believe it was a dollar. And so when we said that the pay of certain junior officers, which was very low in comparison with other services, should be raised, we were confronted with the fact that these men, ordinary sailors in the navy, who were on subsistence were getting 45 cents a day more than army men on subsistence. What happened was that army men on subsistence were raised to $1.25 a day, and all men joining the navy after that date, June 1 of last year, were also given $1.25 a day. However we did not reduce the allowance of the men who had already been in the navy, because we felt they had joined on the understanding that they were to be given $1.45 a day subsistence and that it would be unfair to reduce them at some later time during their period of service.

The hon. member for Peterborough West (Mr. Fraser) asked as to the training of merchant mariners, and a good many other questions as to sea cadets. As to merchant mariners, the naval service does give gunnery training to merchant seamen who are to form part of the gun crews of merchant ships. That training is given to Canadian merchant seamen and the merchant seamen of our allied countries who are in Canadian ports No other type of training is given by the navy to merchant seamen.

The hon. member also wanted to know how many civilians were active in organizing sea cadet corps throughout the country. There are two that are particularly active. I do not attempt to mention all those excellent men in different localities such as are to be found in my hon. friend's own city, Winnipeg, Toronto and other cities where there are sea cadet corps. The hon. member for Danforth (Mr. Harris) and the hon. member for Broadview (Mr. Church) mentioned that they had been interested in sea cadet work. I regret that I cannot give the names of all those who have taken a great interest in this work, but the two chief organizers who range over the country at large are Mr. R. C. Stevenson of Montreal, who is called coordinator of sea cadet activities—he gives his services free, receiving only travelling expenses—and Mr. J. R. K. Millen, who has particularly charge of the western sea cadet corps.

My hon. friend also wanted to know where the sea cadet camps would be. I have a list of the camps here, but it might be added to later. There are to be camps at Comox, British Columbia; Chestermere lake, near Calgary; lake Wabamun, near Edmonton; Shepley island, on the Saskatchewan river; Stevenson's Point, on lake Winnipeg; lake Eva, 125 miles west of Port Arthur; Goderich, Ontario; Beausoleil island, in Georgian bay; Rotary island, near Gananoque; Minnicog island, in Georgian bay; Isle St. Quentin, near Three Rivers; Camp Buchan, in the Northumberland strait, thirty-one miles east of Charlottetown; Cole Harbour, twelve miles from Halifax. There is also to be a camp for the St. Lawrence cadet corps but I have not information as to just where it is to be.

The total number of cadets going to these camps, according to my figures, will be 2,275. That is the accommodation of these camps in their entirety. Some camps remain open longer than others. The usual camp period is two weeks. Some camps propose to give three two-week periods, while others propose to give only two, and some only one period.

As to allowances for sea cadets, they receive no pay. They are given transportation to and from the camps. The sea cadet officers receive pay only while they are under instruction or while they are at the camps. When in the camp the sea cadet receives, of course, board and lodging and medical attention at government expense.

Mr. STIRLING: There is some allowance for uniform, is there not?

Mr. MACDONALD (Kingston City): Yes, one-half the cost of the uniform is provided by the government and the other half by the cadet himself.

Mr. FRASER (Peterborough West): I asked also what extra pay the naval commandos get.

Mr. MACDONALD (Kingston City): I am sorry I overlooked that. I have it on a separate sheet of paper here. Naval personnel engaged in combined operations overseas—I think this is what my hon. friend wants—receive when serving at sea the following emoluments in addition to their regular rates of pay: Officers above the rank of sub-lieutenant get one shilling and six pence a day extra, sub-lieutenants one shilling a day extra, and ratings six pence per day extra.

Mr. FRASER (Peterborough West): That is the commandos?

Mr. MACDONALD (Kingston City): Yes. We call them combined operations personnel, but I think commandos describes them.

Mr. FRASER (Peterborough West): That is what they call themselves when they write home.

Mr. MACDONALD (Kingston City): I think so.

Mr. FRASER (Peterborough West): I had another question in regard to civilians working in administrative offices with naval men and receiving less pay than the naval men.

Mr. MACDONALD (Kingston City): I have looked into that, and if my hon. friend would give me any case he has in mind, even confidentially if he does not want to give the names here, it would simplify matters.

Mr. FRASER (Peterborough West): I will do that.

Mr. MACDONALD (Kingston City): The hon. member for Verdun (Mr. Coté) raised the question of the name of the ship *Dunver*. It is our practice before naming a ship to be very careful to see that the name is not already borne by a British ship or even by a ship of the United States navy, so that there shall not be confusion in receipt of signals by these ships. We found that the British navy had a ship of war called the *Verdun*. They had no doubt given her that name in honour of the great stand made by the French troops at Verdun in the last war. We therefore could not use the name Verdun and we asked the city of Verdun—I have not the correspondence here, but my recollection is pretty clear—to suggest some other name, and they suggested the name "Dunver", which is an anagram or rearrangement of the letters of the word "Verdun." That name has been criticized in certain newspapers and it has been suggested that we here in Ottawa invented the name because we were unwilling to give the name of the city of Verdun to a ship. There is absolutely no truth in that story. We wanted to honour the city of Verdun, which is one of our larger cities. We are taking the cities now in the order of population. When we found we could not use the name of Verdun we took the name which the city itself decided was the next best name. My hon. friend the member for Verdun wanted to know if we could not incorporate Verdun with other names such as the "City of Verdun" or "La Ville de Verdun." If that can be done we shall do it. The hon. member also spoke of certain resolutions which had been forwarded to him by branches of the Catholic Women's League of Canada protesting against the lack of chapel facilities at certain bases. I have received a great many such resolutions. The building of chapels is going on as fast as I can have it gone on with, but it must proceed I think simultaneously with the building of the other parts of the base. We are doing the best we can in that matter.

Mr. MacNICOL: Are the chapels to be open to members of any denomination?

[Mr. A. L. Macdonald.]

Mr. MACDONALD (Kingston City): Yes. The three services agreed on a standard type of chapel. In the middle part of it is a reading room, which has folding doors; on one end there is one chapel, and on the other, another; so that each denomination can have the end which is allocated to it, and if it wants more room it can take out those folding doors and have the reading room as well. I am speaking now more of morning services, which I believe some men at a camp might want to attend and which perhaps they are unable to attend unless a private chapel is provided. For the large services at a big camp on Sundays we do not pretend to be able to build a church adequate to accommodate the men: they will have to hold the services on that day in a drill hall or a gymnasium or something of the kind, and it can be done without any great inconvenience. But I am speaking of a place where a chaplain can have an office, where the men can consult him, and where week-day religious services can be held.

The hon. member for Vancouver South (Mr. Green) raised the question of naval policy on the Pacific, and the Jellicoe report. I have the Jellicoe report under my hand. It is quite true, as my hon. friend stated, that it recommends the provision of battle cruisers, light cruisers, destroyers and submarines. My hon. friend wanted to know whether we had decided to aim at ships of this type after the war, and generally he inquired what our naval policy on the Pacific was. I may say to my hon. friend that we have not by any means forgotten that this is a two-ocean war, that there is a Pacific ocean, and that that coast has to be guarded. My hon. friend will not misunderstand me, though, when I say that up to the moment in this war it has been necessary for our main work to be done in the Atlantic. That is because we have regarded, as I think the people of Britain do, Germany as the great enemy and we have put our main emphasis on convoy work. I think this is probably not the time to begin to plan exactly the sort of navy we should have after the war. My own feeling is that we should go to work as best we can with the task we have in hand, namely convoy work, which is essentially work for small ships; but undoubtedly, after the war, in the establishment of a Canadian navy, such ships as the Jellicoe report mentions—cruisers and destroyers—should form part of that navy, and for an all-round navy, of course, submarines. But up to the moment in this war, even if we had a strong fleet of submarines manned by well trained men, there would be very little

for them to do unless we sent them to far distant theatres such as the Mediterranean or the southwest Pacific. What we need in this war is ships to fight submarines, not submarines themselves.

Mr. GREEN: Does the minister feel that that is the position on the Pacific ocean as well as on the Atlantic? When I mentioned yesterday a policy for the Pacific I was not referring to the period after the war; I meant at the present time. Is it the opinion of the government that the same type of fleet is needed on the Pacific as we have on the Atlantic, which is in reality an escort fleet?

Mr. MACDONALD (Kingston City): My hon. friend knows that there is very little convoy work to be done on the Pacific coast.

Mr. GREEN: It is a question of defending our coast on the Pacific.

Mr. MACDONALD (Kingston City): That is right; there is a difference right there. Consequently if my hon. friend asks me what the ideal combination would be for the Pacific coast, so far as I can see we should perhaps have to make some changes from the sort of ship we have in the Atlantic. But for the moment we have looked on the Atlantic struggle as our great struggle and we have built the ships which are useful for that purpose. That is not to say that they are not of some use, and of great use too, on the Pacific coast. Then of course in this war, as my hon. friend knows, the association between the British empire and the United States is very close. The fortunes of war have given a certain area more or less to British care and another area more or less to the Americans. We do not overlook that fact when we are disposing of our own navy to what we consider to be the best advantage. I do not know if I am answering my hon. friend exactly, but it is a little difficult for me to give the disposition of the ships, the numbers and the kinds of ships which are here or which are there. I can only tell him that when the war is over, and when plans for what I hope will be a permanent and solidly established Canadian navy are formulated, whoever is here at that time will give full attention, I am sure, to the conditions on the Pacific and to the provision of the proper kinds of ships to meet those conditions.

Mr. GREEN: In effect, then, Canada's naval policy on the Pacific at the present time is to depend on the United States fleet to protect the west coast?

Mr. MACDONALD (Kingston City): No, I would not want to put it in that way. We have to rely largely on our friends, as on the Atlantic we have to rely on the great protection of the British fleet. It is true that in this war the British empire is taking a certain area more or less as its own. We have taken the Atlantic, north and south, pretty well, the Mediterranean, and other oceans: the main task of the United States has fallen into other places and it is assuming a great burden there. But I do not quite want to say that we are doing nothing but depending on our United States friends for the defence of the Pacific. We are doing what we can there. We have some ships there still, and they have cooperated with United States ships in expeditions up to the Aleutians, where the Americans have done such signal work in recent weeks. But our main strength undoubtedly is on the Atlantic.

Mr. BLACK (Cumberland): What about aeroplane carriers for the convoy work?

Mr. MACDONALD (Kingston City): I mentioned in my address that we have that under consideration. One of our officers has been away for some weeks now and will be away some weeks more, in the United States and England, examining the whole question of aircraft carriers, the acquisition of ships, the training of officers and men, the cost and all that sort of thing. I cannot tell my hon. friend anything more definite.

Mr. GREEN: The minister has said that it will probably be necessary for Canada to have certain capital ships after the war. Is any attempt being made during the war to give Canadian naval men training on capital ships of the British navy? I believe that New Zealand has been carrying on in that way. This would seem to be a splendid opportunity for Canada to get at least some of her men trained on the capital ships and the submarines of the British navy, so that after the war they will be able to man any ships of that type we may acquire.

Mr. MACDONALD (Kingston City): Nearly fifteen hundred Canadians, officers and men, are now serving with the Royal Navy. Some of them are on capital ships—on battleships and cruisers. Take these men we have now in the high command, like the chief of the naval staff, Admiral Murray at Halifax, or Admiral Jones, vice-chief of the naval staff: these men have served on all sorts of ships of the British navy, including battleships and cruisers, and have had a very wide experience. So that of the fifteen hundred with the British navy, I am sure many must be on capital ships and some on submarines. I know that one Canadian officer is in command of a submarine. I think he is a boy

from Ottawa. If I mistake not his name is Toller. There may be others. So that they are gaining experience in that way.

Mr. GREEN: Is it a definite policy to see that some Canadian naval men do get that experience.

Mr. MACDONALD (Kingston City): Yes. There always has been a flow of Canadian naval officers to the Royal Navy for training, and that has been going on for the last thirty years or more.

Mr. COLDWELL: I have received some complaints about pay and allowances in connection with some young men drafted from Hamilton. The minister will know something about that—

Mr. MACDONALD (Kingston City): Too well I know it.

Mr. COLDWELL: I was asked to inquire as to the treatment of young men who are loaned or transferred to the Royal Navy. One of the complaints made to me was that when they went to the United States they were given no special pay or allowances to compensate for the difference in exchange as between the two countries. If that is so, I can sympathize with the complaint, because having been to the United States recently, I realize the extent to which prices have advanced in that country, and however much we may be critical of our own price control, when you step across the border you realize that something has been done here to prevent prices from rising. If the situation is as indicated the department should give some consideration to young men who are drafted into the Royal Navy and who then serve out of United States ports or who train on ships of the Royal Navy in United States ports, to see that there is no loss in regard to pay and allowances during the time they are serving there, and that this does not interfere in any way with the possibility of promotion. As I say, I know nothing about these cases and the minister probably does, and I thought that this was an opportune point at which to raise the question of pay and allowances and the question of the standing of young men transferred or loaned, or whatever the term may be, to the Royal Navy.

Mr. MACDONALD (Kingston City): When a Canadian is loaned to the Royal Navy he continues at his Canadian rate of pay, which is usually higher than the British rate. The particular case to which my hon. friend refers has to do with some men who were in the Canadian navy and who were asked to volunteer for service with the British navy in combined operations work. Their contention—or rather the contention of a few of them because there are only three men involved out of a much larger number—was that they were not fully informed of the terms and conditions. They thought that they would be with the Canadian navy and would be serving under Canadian officers and as a unit. Twenty-five or fifty of the first detachment felt that they would always remain together but instead they have been broken up into smaller detachments, some having gone overseas. Parents have written complaining that misrepresentations were made, and three of the parents have expressed a very strong desire to have their sons brought back to the Canadian navy on the ground that the conditions were not fairly presented to them. The officers who recruited these men for this service assure me that no representations whatever were made of the kind indicated by the men. It is the old story of one man saying one thing and another saying something else. I hope to be able to straighten out the matter.

As to pay in the United States, that was another source of complaint. They said first that they were not getting any pay for a long time. I had to send an officer to the United States to look into the whole matter and he came back and reported. He did not see these three men because they had gone away. He reported that as far as he could find out there was no justifiable complaint on the question of pay. They were given certain advances in United States funds when they went to the United States. The member for Wentworth (Mr. Corman) had several conversations with me on the point and the whole subject is receiving my best attention.

The member for St. John-Albert (Mr. Hazen) wanted to know if there is provision for common law wives, as they are called, in the navy. I think he means dependents' allowance there. The navy up to the moment does not provide dependents' allowance in these cases but an amendment to the Canadian naval regulations is under consideration which will provide some allowance for them, and that has yet to have the approval of the treasury board. As to unmarried mothers, that too will be dealt with shortly on the same basis as it is dealt with in the army.

There were some other questions about Deep Brook, as to whether the establishment there was justified or not. I was asked to explain why this establishment was to cost so much money; why it was required if the 18 R.C.N.V.R. divisions are to be maintained; were other training centres to be closed; would officers be trained there; and, I believe,

I was also asked to say why it was not established in New Brunswick. Well, there are two things which must be taken into consideration when we speak of training for the Canadian navy. The first is that for many years there were no training establishments in this country in the full sense of the word except perhaps at Halifax and Esquimalt. The result is that the training of nearly all the men required to man our ships has had to be done during war time. We must remember that the Canadian navy is largely a civilian navy enlisted and trained during the war. I may say specifically to my hon. friend that the importance of the 18 R.C.N.V.R. divisions throughout Canada is not affected in any way by the establishment of the school at Deep Brook. Training at these divisions, such as the Brunswicker, Saint John, is elementary training and lasts for a period of from six to eight weeks. It is necessary to acquaint newcomers to the navy with the elementary ideas of life and work in the navy, and I think that work can be done very well at the divisional centres throughout Canada.

There is another thing to be kept in mind. The Canadian navy, up to the present, is a small-ship navy. Most of the actual training for these ships must be done ashore. In this respect our navy is different from navies that have large battleships. Large battleships can carry as many as 250 men, sometimes, in training aboard, and if anyone has visited a large battleship or a large cruiser he would find attached there a considerable number of young ratings or young officers for training purposes. We cannot do that in our ships. The ships are too small and the accommodation is not there. A large central training establishment is the most economical method of dealing with our problem. The equipment for training is costly and if it were scattered it could not be used to the same advantage. Moreover, it is highly technical equipment and the problem of securing it in these times is a difficult one. There is also another matter to be considered, the shortage of instructors. This is due to the fact that the permanent service was so small for a long period of time that adequate numbers of trained officers were not available for instructional work when the ranks began to grow. Therefore, to concentrate our instructors in a central training establishment means that those available are used in the most economical way. To have civilians in a large training establishment means that they become imbued with the discipline and customs of the navy. They are all lodged and housed by the service, which means a great saving in cost. We pay a man $1.25 a day if he is living out in civilian quarters and it does not cost us that much when we provide barracks and feed him ourselves. The discipline and health of the men is much better.

Deep Brook is used to requalify officers and men and to provide refresher courses, and therefore it should be as near as possible to the naval bases. Deep Brook answers this problem, without placing the training establishment too close to the main naval base at Halifax, which might not be sound strategically. Of course Halifax is the heart and centre of naval activity in eastern Canada, and has been, as I said the other night, for nearly two hundred years. When drafts coming in from the sea are to be sent for training in gunnery or torpedo work or any other specialist branch, we could not conveniently send them seven or eight or nine hundred miles away. They must be sent to some place not too remote from Halifax, because that is where the ships come in and that is where the drafts come and go.

The training establishment at Deep Brook is not a place where men go to drill. I would point out to my hon. friend that that is one of the great differences between the camp at Debert and the one at Deep Brook. As I understand it, the camp at Debert is purely a drilling camp and the cost was not anything like $5,000,000; I understand it was something like $7,000,000.

Mr. HAZEN: I was taking the figures of the Minister of National Defence.

Mr. MACDONALD (Kingston City): What are the figures?

Mr. HAZEN: He gave them when his estimates were up the other night.

Mr. MACDONALD (Kingston City): It depends upon what you call cost. I am taking the cost of Debert to include buildings, lands, roads, and other accessories, and on that basis the cost is about $7,000,000. As I say, it is largely a drilling camp and all you need is a parade ground, places for the men to sleep and places for the men to eat. But that is not the case at Deep Brook. In a certain sense Deep Brook is a university where officers and men go to be instructed in very technical work, in things like gunnery, asdic work, navigation, divisional training and so on. These things require a good deal of equipment in order that proper instruction may be given, and it will all be found at Deep Brook.

Mr. STIRLING: Would the minister deal with Point Edward now?

Mr. MACDONALD (Kingston City): The hon. member for York-Sunbury (Mr. Hanson) stated that he had heard that some of the

buildings at Point Edward had been erected on filled land and had sagged, in some cases breaking their backs. I instructed the department of works and buildings to call our own representative at Sydney, not the contractor, and he informed them that no such condition exists as was indicated last night. He confirmed what I had seen of the buildings, that the majority of them are not built on filled land. There are one or two, perhaps more, down near the wharf which are built on land which is filled to some extent. All that has happened, however, is that one building, a workshop or a machine shop, showed a crack, but it was of such a minor nature that it has not been thought worth while to repair it.

Mr. STIRLING: What are the ice conditions there? It is alleged that there is a considerable period during the winter when Sydney harbour is not usable because of the ice.

Mr. MACDONALD (Kingston City): There is a period of time when Sydney harbour is closed to ocean traffic because of ice. The harbour at Louisburg, about twenty miles away, is an all year round harbour.

Mr. STIRLING: What about Point Edward?

Mr. MACDONALD (Kingston City): Point Edward is in Sydney harbour, and the comments I have made about Sydney harbour would apply to Point Edward. As a shipping port it would be closed for perhaps three months every year.

Mr. MacNICOL: Has Louisburg harbour been reequipped for service?

Mr. MACDONALD (Kingston City): Some ship repair work is being undertaken there, but I do not think any great change has been made.

Mr. MacNICOL: Has it been fortified?

Mr. MACDONALD (Kingston City): I do not think it has in the sense that we speak of fortifying a harbour, but there are guns all around that area. The army is protecting Sydney and all that country, but I would not care to say about naval fortifications, whether we have made any particular defence preparations.

Mr. STIRLING: For what purpose is Point Edward to be used, bearing in mind the fact that it is closed to navigation for a certain time in the winter? Will that be Admiral Murray's headquarters?

Mr. MACDONALD (Kingston City): No; Admiral Murray's headquarters will be at Halifax. As my hon. friend knows, Sydney is quite an important point. I need not go into all the reasons why it is important, but considering the geography of Canada and the manner in which ocean traffic moves around this country, Sydney has become a most vital point. That is one of the main reasons why buildings are necessary there. There is also a marine slip capable of taking a ship up to the size of a destroyer, and I expect that there will always be some ships in Sydney harbour refitting and repairing. It can also be used to some extent for training, although not to the same degree as Deep Brook.

Mr. BLACK (Cumberland): I want to commend the minister and the department for having located a major naval establishment in the northern part of Nova Scotia where it can give protection to the St. Lawrence route, but I should like to know why preference was not given to Louisburg which is open the year round and is only twenty miles from Sydney. It would appear to me that Louisburg would have advantages over Sydney.

Mr. MACDONALD (Kingston City): Sydney is a bigger harbour, of course. Louisburg has not a very big harbour.

Mr. BLACK (Cumberland): Still it would be much better than to have a harbour which is closed for several months during the year.

Mr. MACDONALD (Kingston City): The main purpose for which we want Sydney is not affected by the fact that it is closed by ice. We are concerned with Sydney mainly while there is shipping going up and down that coast; as long as that goes on Sydney is very important. But when the ice comes the purpose for which Sydney is mainly used, in regard to river traffic, disappears.

Mr. BLACK (Cumberland): A great deal of sea traffic passes the year round not far from northern Nova Scotia, even traffic from New York and other United States points as well as Canadian traffic.

Mr. MACDONALD (Kingston City): I know it passes there, in a general way, but it does not have to use that harbour as we use Sydney in the summer.

I was coming to what the hon. member for Broadview asked in regard to our properties in Toronto. I would tell the hon. member that we have in Toronto five different buildings. There is the Flavelle residence at Queen's Park. That is used by the Wrens and is rented for the sum of $3,000 per year. Then there is a building at 142 Crescent road which is used as the headquarters of the commanding officer of all divisions of the R.C.N.V.R. The rental of that building is $1 per year plus taxes and insurance. Then there is the automotive building in the exhibition grounds,

which we are given rent free. That is used as the headquarters of the Toronto division of the Royal Canadian Naval Volunteer Reserve.

Mr. GRAYDON: Has the minister the particulars in regard to the taxes and insurance on the second property he mentioned?

Mr. MACDONALD (Kingston City): For the Crescent road property the rental is only $1 per year and we pay the taxes and insurance.

Mr. GRAYDON: That is what I was inquiring about; how much does that amount to?

Mr. MACDONALD (Kingston City): I have not that information, though I can get it. Perhaps my hon. friend knows the property?

Mr. GRAYDON: No, I do not.

Mr. MACDONALD (Kingston City): It is a good property, but I would not say it was a mansion, as it has been called.

Mr. ROSS (St. Paul's): What is the rental of the Flavelle property?

Mr. MACDONALD (Kingston City): It is $3,000. Then we have a building at 120 Wellington street, a large storage building, where we lease two whole floors and part of another, at a rental of $9,650. We also have what is called the Nerlich building at the corner of University avenue and Wellington street. We occupy about five floors in that building for storage and pay $13,000 a year. These are the only buildings we have in the city of Toronto.

Mr. MacNICOL: Did the minister say $13,000 a year?

Mr. MACDONALD (Kingston City): Yes, for the Nerlich building.

Mr. GILLIS: There was a question which the minister has either forgotten or has not had time to look up. Yesterday I asked if he could give the house some information in reference to the statement made by the Minister of Munitions and Supply as to the extension of the Canadian merchant marine after the war and the part that would be played in that connection by the navy.

Mr. MACDONALD (Kingston City): Frankly I have not had a chance to look into that matter. I think my hon. friend wanted to know on what basis the merchant marine would be carried on after the war?

Mr. GILLIS: That is right.

Mr. MACDONALD (Kingston City): I could not answer that. Whoever is in charge of naval services after the war would not be operating the merchant marine, however; that would still come under the Department of Transport. It is difficult to say at this time exactly how the merchant marine would be operated. I suppose there is no doubt that some men now in the naval service might join the merchant marine after the war; probably that will be so, if the merhant marine is a good, going concern at that time, but I do not think anyone can say much more at this moment. I hope there will be a Canadian merchant marine after the war, as well as a Canadian navy, but I doubt whether at this time one could plan exactly in what way that might be accomplished. However, I shall be glad to look at the statement made by the Minister of Munitions and Supply. At the moment I forget what he said, but I shall look into it and answer my hon. friend later.

Mr. GREEN: Has any survey been made among the men in the navy to see how many of them wish to follow the sea after the war? I believe a survey has been made in the army to find out how many men propose to go farming, and I should think it would be very useful if the navy knew the approximate number of men who are anxious to go into the merchant marine or to stay with the navy when the war is over.

Mr. MACDONALD (Kingston City): That is right.

Mr. GREEN: In that event might it not be wise to lay some plans now for training these men, so that those who do wish to transfer to the merchant marine after the war will be able to do so? Is the training they receive in the navy sufficient to qualify them to go right into the merchant marine, without anything further?

Mr. MACDONALD (Kingston City): It is pretty good training, of course, but with all the stress of work we have now I do not think we could begin to undertake to train men for some other service. That would be a little too much to expect. I will say to my hon. friend, however, that we are making a survey of those men in the navy who might want to choose the navy itself as a career after the war; that is under way at the present time. The Canadian navy now has an authorized complement after the war of about eight thousand, I think, and we have not that many in the Royal Canadian Navy proper, that is the permanent force; we have only about half that number. So that we have caused questions to be distributed at

the various bases and ports to ascertain how many men at present in the volunteer reserve, let us say, or the naval reserve, might wish to adopt the navy as a career after the war.

Mr. GREEN: Would it not be possible to find out also how many would like to adopt the merchant navy as a career?

Mr. MACDONALD (Kingston City): Yes, that could be done.

Mr. POTTIER: The other evening the minister referred to the divisions of the Royal Canadian Naval Volunteer Reserve, of which he said there were some eighteen. Is one of those divisions located in the province of Nova Scotia?

Mr. MACDONALD (Kingston City): No, there is not a division of the R.C.N.V.R. in Nova Scotia.

Mr. POTTIER: Why is that?

Mr. MACDONALD (Kingston City): Well, in view of the permanent base at Halifax we have always felt that this took care of the matter so far as Nova Scotia was concerned. My hon. friend, I take it from his language, would favour the establishment of a division there.

Mr. POTTIER: Yes.

Mr. MACDONALD (Kingston City): I agree with him. I think there should be a division in Nova Scotia; and I hope—I believe—there will be.

Mr. POTTIER: Would there be any difficulty in establishing one now?

Mr. MACDONALD (Kingston City): I think there would be a little difficulty. Halifax is very much crowded at the present time. As my hon. friend knows, it is very hard to get accommodation there. That would be the logical place for the establishment of a division. I agree that in peacetime it would help matters if there were a division at that point.

Mr. POTTIER: I think it important, coming from Nova Scotia, that this matter be given some thought. The question of rentals may be raised. But here we have in Canada eighteen reserve divisions; and I believe every province, with the exception of Nova Scotia, has a division of the Royal Canadian Naval Volunteer Reserve. We have just heard the hon. member for Vancouver South (Mr. Green) point out that men should be trained with a view to entering the merchant marine. The men who have been in the reserve unit have the first chance, because they have had training. They form groups; young men talk to each other, and we find these units throughout Canada, except in the province surrounded by the sea, where one would expect to find them. After the war is over the other provinces are going to have the advantage, when one would expect men for the merchant marine to come from Nova Scotia. I urge upon the minister that serious thought be given to placing Nova Scotia in the same position as other provinces.

Mr. MACDONALD (Kingston City): That will be done.

Mr. ROSS (Souris): Some time ago I mentioned to the minister the matter of purchasing property and constructing buildings for the navy department, and I asked whether this was entirely within the purview of the department. I ask this because similar operations are conducted entirely within the Department of National Defence, for the army, and the Department of Munitions and Supply does most of the work for the air force. I asked further about certain large residences in Winnipeg. Have they been offered to the minister's department for the payment of taxes? These are residences which people thought would be useful for the accommodation of Wrens. Then I asked further about the number of naval officers at headquarters in Ottawa.

Mr. MACDONALD (Kingston City): We would buy property on the recommendation of the real estate adviser of the Department of National Defence. We would conduct the negotiations in connection with buying the property. If a building were to be erected, it would be done by the Department of Munitions and Supply, at our request. I believe that is the same procedure for all three services.

Mr. ROSS (Souris): The three armed services operate in the same way in this respect?

Mr. MACDONALD (Kingston City): If we wish to erect a building we notify the Department of Munitions and Supply of the kind of building we want, give them the plans, and they call for tenders. That is the way we do it, and the way it is done by the air force, I believe. I think the army does the same, although it may look after some of its own work.

Mr. GREEN: The Minister of National Defence said the other day that they do all their work themselves.

Mr. ROSS (Souris): I understood the Minister of National Defence to say they did it all.

Mr. MACDONALD (Kingston City): Then perhaps they do.

Mr. ROSS (Souris): Who would decide as to the type and cost of building?

Mr. MACDONALD (Kingston City): That would be decided by the works and buildings branch of the naval services.

Then, there was a suggestion that the department had been offered the use of property in Winnipeg for the accommodation of the Wrens. If the hon. member means that it was offered free, then I must reply that I do not think that is so.

Mr. ROSS (Souris): For the payment of taxes.

Mr. MACDONALD (Kingston City): I do not know of any such offer, but I shall be glad to look into it. Two or perhaps three properties in Winnipeg have been suggested as places where the Wrens might be housed and fed, where they might establish barracks. I do not recall any place offered for taxes. I have not looked into the matter in the last day or so, and I might be wrong about it.

A question was asked as to the number of officers in Ottawa. I had that information with me a moment ago, but it has been mislaid. I shall give it later.

Mr. KNOWLES: I should like to ask a question of the minister, but before doing so may I join with other hon. members from the prairies who have called attention to the large number of young men from our part of the country who are in the navy. In view of our great distance from either coast we feel justified in being proud of the type and number of our young men who have joined this service.

My question comes under item 4(a), and relates to the purchase by the Department of National Defence for Naval Services of the property formerly owned by the Winnipeg winter club. I shall remind the minister of some of the facts surrounding the purchase, and I take the facts from sessional paper No. 193 and from *Hansard* of March 25. The sessional paper was tabled and the answers in *Hansard* were given in response to questions I had placed on the order paper. We find that this property was purchased last October by the minister's department, and that the price paid was $256,000, or a little more than a quarter of a million dollars. The assessed value of the property, according to the assessment department of the city of Winnipeg, and confirmed in sessional paper 193, was $94,090. However the portion of that assessment which relates to the buildings is on a basis of 66⅔ per cent of the market value. Accordingly when you adjust that figure so as to arrive at a figure representing 100 per cent of the market value you find that the land and buildings, according to the city of Winnipeg, were worth $129,365.

According to *Hansard* of March 25, 1943, pages 1536, 1537, 1538 and 1539, the department purchased, in addition to the land and the buildings, all the equipment contained in the buildings. There was a variety of it, and the items are listed on the pages of *Hansard* I have indicated. The department placed a value of $40,000 on this wide range of equipment.

Then, in addition, according to the information in *Hansard*, the department made an allowance for fuel, moving expenses, compensation and other incidentals, amounting in all to $8,057.49. These figures I have given—the 100 per cent market value of the land and buildings, the value placed on the equipment contained in the buildings and the item for special allowances—total $177,422.49. The amount paid for the entire property was $256,000. The question which I wish to direct to the minister is, will he explain that difference of $78,577.51? I might point out at once that upon analysis of these figures he will find that the entire difference is between the value placed on the land and buildings by the city of Winnipeg and the value placed on the land and buildings by the Winnipeg winter club, namely, $78,577.51. I could understand it if there had been some sort of compromise between these two evaluations, but with that difference it seems rather hard to explain why the department paid the Winter club's own evaluation 100 per cent.

In the return which was made by sessional paper 193 and in the answers given in *Hansard* on March 25 it was pointed out by the minister that this price was arrived at after consultation between a member of the Montreal real estate board, members of the Winnipeg real estate board and the real estate adviser of the Department of National Defence. I point out that it does not state that the real estate boards of these cities were in on this evaluation but rather that it was done by private members of these boards. It was also pointed out that a condition of this sale was that the Winnipeg winter club—perhaps I had better read this direct from *Hansard*—

Mr. MACDONALD (Kingston City): What page?

Mr. KNOWLES: Pages 1539-40 of *Hansard*.

Mr. MACDONALD (Kingston City): That is the second return?

Mr. KNOWLES: That is correct. The first return was not placed on *Hansard*. As a matter of fact, however, this particular information is given both in the return and in the answers that were placed on *Hansard*. I will read from pages 1539-40 of *Hansard:*

It was further agreed that the Winter Club would undertake to invest the net proceeds of the sales, less the amount necessary to discharge the mortgage and other encumbrances, if any, in victory loan bonds, and would undertake to have such bonds registered in its name; and further would undertake to retain, and not dispose of by sale, at least 50 per cent of the said bonds for the duration of the present war, or for a period of two years, whichever period shall be the lesser, but this condition shall not prevent the pledging or disposal of said bonds for the purpose of securing funds to purchase property or equipment for the establishment of new quarters for the club.

Just on the side, the investing of fifty per cent of the net proceeds in victory bonds, particularly when it was understood that the bonds might be used to secure other funds, hardly seems to me to justify the deal. It might be argued that it has no bearing on it at all. Certainly in my opinion it does not justify it.

I come back to the figures I have already given. The total amount spent in purchasing this property and all this equipment, the allowances for everything which the club listed as on hand at that time, exceeded one-quarter of a million dollars. From the figures which I have given it would seem that the price paid was $78,577.51 more than it should have been. I would appreciate it very much if the minister would answer my question as to why the higher price was paid, particularly when there was such a wide spread between the city's evaluation and the club's evaluation of that property.

Mr. MACDONALD (Kingston City): I do not remember all the facts at this time and I have not the papers here, but I recall, as my hon. friend has pointed out, that not only was the chairman of the Winnipeg real estate board—

Mr. KNOWLES: The return says members.

Mr. MACDONALD (Kingston City): Perhaps it was the whole board; I do not know. But there was also a prominent real estate man from the city of Montreal and the real estate advisers of our department, and it was their opinion that $256,000 was a fair price. The assessed value of properties of this kind is not in many cases an accurate guide, and I think it would be a very poor guide in the city of Winnipeg. It is difficult for a property of that sort to be sold, as my hon. friend knows. It is not like a house that a man has a chance of disposing of to many people. There are very few people in the market for buildings like the Winnipeg winter club. This was the situation we were faced with. We had a fine naval division in Winnipeg. Winnipeg has always been a strong naval city. We had also there a fine cadet corps, a fine branch of the navy league and a fine naval training base. But these men had no place to eat and no place to sleep except as civilians in restaurants or in homes. We felt that something should be done to improve that condition.

As I said yesterday three years ago this department did not own a single stick of lumber or a single foot of ground between Halifax and Vancouver. We were living entirely in rented buildings and usually in very poor quarters. We felt we should do something and the question was: Will you buy or will you build at Winnipeg? I can tell my hon. friend that if we had started to build a building in Winnipeg to accommodate the division we would not have been able to build it for $256,000. We have now a magnificent building for our purpose. It has a swimming pool. It has a skating-rink surface which can be used for drill purposes on wet days. It has accommodation for sleeping and eating and some recreational facilities. I think we did the right thing in buying that building. As to the price all I can say is that three real estate men and others—I think some prominent businessmen of Winnipeg were also consulted—considered the price not unreasonable. In view of the fact that the building was there and could be had more cheaply than a new building, we felt it was the right thing to take over that building. I can look more closely into the whole correspondence but I do not know that I can ever tell my hon. friend more than that. We acted on the advice of these men, one an outside, disinterested party; the Winnipeg man I am sure was disinterested; and the naval real estate men certainly had only one thought, to get the best price they could for the navy. I am not in a position to say and I do not know that anyone is in a position to say that the price paid was excessive.

Mr. KNOWLES: I should like to make it clear, in response to the first remarks made in reply to me, that I agree that it was highly desirable to secure proper quarters for this establishment in Winnipeg, and further I agree that these quarters are ideal for the men of this unit. But the question of the price is another matter, and it still seems to me to call for an investigation. The minister has offered to look into it further. I wish to emphasize what I said earlier, that

there is a terrific spread between the valuation placed on this property by the city assessor's department and by the club. As I said before, if there had been a compromise figure in between those two, one would feel a little more confidence as to the price arrived at; one would feel that it had been looked into and all the factors taken into consideration. But when, instead of that, the club's value on its books, 100 per cent—for that is the reply which the minister gave back in March—is paid, I feel that the matter should be looked into further and that the minister ought to make a further statement to the committee.

Mr. MACDONALD (Kingston City): I shall be glad to do so at some future date, if my hon. friend will allow me.

The hon. member for Souris asked as to the number of officers in Ottawa. I have now the figures. The total number in one building and another—eight different buildings are devoted to headquarters—is 498.

Mr. FULFORD: Does the Canadian navy give any recognition or assistance to sea scout troops? We have heard a great deal about the sea cadets, and I can understand the affiliation between the cadet movement and the department proper. But I feel also that the sea scouts are performing a valuable service. I wonder whether on enlistment there is any report from the navy as to the training these men have received before entering active service?

Mr. MACDONALD (Kingston City): I know my hon. friend is very much interested in the sea scout movement. I cannot give him at this time the number of former sea scouts who have joined the navy; I have no doubt that it is quite large. I believe that some sea scouts go into the sea cadets later on; in that way they come to the navy by three stages. We have not the same close affiliation with the sea scouts that we have with the sea cadets. I am sure, however, that if the heads of the sea scout movement want to discuss the matter with us we shall be very glad to see whether the association cannot be made somewhat closer.

Mr. DIEFENBAKER: Yesterday I asked a question as to whether consideration is being given to the establishment of an insurance system. I should like to secure a statement now from the minister in reference to that, and then there are certain other matters under the particular item before the committee which I wish to ask about.

Mr. MACDONALD (Kingston City): I am sorry I forgot that question. The point the hon. member raises is very interesting, and I shall be glad to look into the system—what is called the American system—which he described yesterday, and to discuss it with my colleagues. Of course any plan of this sort would have to be uniform in the three services. I shall be glad to take it up with the Minister of National Defence and with the Minister of National Defence for Air.

Mr. DIEFENBAKER: In regard to this item, "construction, purchase, repairs and operating expenses", amounting to approximately $42,800,000, we have as yet very few details other than those connected with the Deep Brook proposition. I would ask the minister to give the committee the capital expenditures which were made in each of the provinces; further, the repairs in each of the provinces, and the rentals paid. I would also ask him in that connection what properties were purchased by the navy during the year other than the one mentioned, in the city of Winnipeg, and the particulars of the rentals. I believe I have already asked for that. Further, would the minister advise whether or not the matter of hospital expenditures is comprised within the ambit of this particular item?

Mr. MACDONALD (Kingston City): I understand that the matters to which my hon. friend has referred in the main were the subject of a return brought down some time ago on the motion of the hon. member for St. John-Albert. That return should be available somewhere to my hon. friend. There is some difficulty in connection with this return as brought down in the manner asked for—some five hundred man-hours of labour were spent on it—because, when you ask for the amount spent in each province, we do not keep records in that way and it is very difficult to say exactly how much of a certain expenditure is to be charged to Alberta, or British Columbia, or Nova Scotia, or New Brunswick. I have here particulars of the individual bits of land purchased in the east and in the west and elsewhere. Perhaps my hon. friend would look at this return, which I think the hon. member for St. John-Albert also has.

Mr. DIEFENBAKER: The difficulty is that we have items here of a total of about $44,000,000 and there is not one which we know anything about at all. I have here a return brought down in answer to the hon. member for New Westminster, and the particulars are limited to rentals.

Mr. MACDONALD (Kingston City): Rentals? Well, no. The return of which I speak, and which was brought down on the motion of the hon. member for St. John-Albert, gives

rentals, purchases of land, buildings and everything else. I can read over some of the items.

Mr. DIEFENBAKER: Let us have the major items in the different provinces.

Mr. MACDONALD (Kingston City): My hon. friend is now speaking of buildings, is he?

Mr. DIEFENBAKER: Yes.

Mr. MACDONALD (Kingston City): I will give some of the larger ones. Starting with Deep Brook, I find the contract price, in round figures, is $8,815,000; the naval ordnance department at Dartmouth, $2,588,000. I am giving now total costs. Some of this work has been already done; some was done two years ago. Then, Nelson barracks, Halifax, $7,324,000; Halifax dockyard, $1,535,000; Shelburne naval base, $1,307,000; Point Edward, the Sydney base, $5,701,000.

Mr. BLACK (Cumberland): Has the minister an estimate of what additional expenditures will be necessary?

Mr. MACDONALD (Kingston City): These are contract prices, the full job; the $5,701,000 is the estimate. Gaspe naval buildings, $732,000; naval service building at Ottawa, $866,000. That has already been spent. That will give my hon. friend an idea. On the west coast there is the Royal Roads naval college, $325,000; Prince Rupert, a certain expansion, $322,000 in one item alone.

Mr. DIEFENBAKER: They are just the buildings without the land?

Mr. MACDONALD (Kingston City): These are the contract prices of the buildings. There are smaller items running all the way down to a few hundred dollars, but that gives some idea of the building problem. I have taken only a few items.

Mr. BLACK (Cumberland): I should like to have the figures for the total cost at Point Edward. The minister has given the contract price of the buildings, $5,701,000. There are many additional expenditures for equipment, sewage, waterworks, electric lights, wharves and fills. I should like to have a statement of expenditures complete to date, including the cost of the land and the estimated cost of the project completed. If the minister is not able to give it now, he can give it later.

Mr. MACDONALD (Kingston City): The estimated cost of the buildings, the contractor's figure, is $5,701,000. That is for barracks, stores, canteen and the other work there. Coming to the cost of the land, I have the whole cost here by individual purchases. There are a great many of them and I shall have to total them up and give them to my hon. friend. It looks as if the land at Point Edward would run to somewhere between $60,000 and $75,000. There are about thirty or forty different lots. I will give the exact figures.

Mr. BLACK (Cumberland): Has the minister the estimated cost of the project completed, including all equipment?

Mr. MACDONALD (Kingston City): I have the cost of the building but not the cost of such equipment as is necessary.

Mr. BLACK (Cumberland): Including wharves and fills.

Mr. MACDONALD (Kingston City): I will give all that.

Mr. ROSS (St. Paul's): Are the rates of pay and allowances in the Canadian navy the same as those in the British navy?

Mr. MACDONALD (Kingston City): Generally speaking, they are higher in the Canadian navy, certainly in the rating class.

Mr. ROSS (St. Paul's): In the Canadian navy?

Mr. MACDONALD (Kingston City): Yes.

Mr. ROSS (St. Paul's): When our Canadian officers and men go to the British navy for training do they get British pay?

Mr. MACDONALD (Kingston City): I believe I also dealt with that this afternoon. No; they are paid by the Canadian navy at Canadian rates.

Mr. ROSS (St. Paul's): Some of our men went over earlier and joined the British navy in the earlier part of the war. What is done with any requests they make to be returned to the Canadian navy? Is there any way whereby they can get back?

Mr. MACDONALD (Kingston City): That is up to the British navy. If they went to Britain and joined the British navy out and out, we have no more control over or business with them.

Mr. ROSS (St. Paul's): There is no comparison then with the air force in this regard. Some Canadians who joined the Royal Air Force are now coming back to the Royal Canadian Air Force. Is there any arrangement whereby the same thing can be effected in the navy?

Mr. MACDONALD (Kingston City): It is entirely up to the Royal Navy. The men would have to apply to them for permission to transfer to the Canadian navy. We could not transfer them of our own volition.

Mr. ROSS (St. Paul's): Is there any way whereby they could go about it? If they wanted to come back to the Canadian navy would they make a request to the Royal Navy?

Mr. MACDONALD (Kingston City): The usual thing would be to take it up with the commanding officer. If the man were a rating he would take it up with the captain and, if an officer, he would take it up with his senior officer and indicate that he would like to transfer. Then, I assume, the Royal Navy would ask us, "Do you want this man, or have you a place for him, or are you anxious to get him?" If we were, I suppose the transfer could be arranged.

Mr. ROSS (St. Paul's): Would we not rather like to have such a man, who had had that experience? The minister said it was difficult to get instructors. Some of these men might be very valuable back here as instructors in the Canadian navy.

Is it proposed that there should be any distinguishing mark or badge for officers and men who have served at sea? I have had complaints from men who have had quite a lot of service; they are not exactly complaints, but they express the opinion that there should be some such distinguishing badge to indicate that they have actually served at sea for a certain length of time.

Mr. MACDONALD (Kingston City): Has the hon. member heard complaints from the navy or from other services?

Mr. ROSS (St. Paul's): The navy. In the March issue of *Boating* there are some suggestions from the naval volunteers' association. They appear on page 26. The minister probably knows about this. I will not read it, but there are many suggestions which are made by the naval volunteers' association. I suppose this has been brought to his attention. Has it been thoroughly discussed and has any action been taken in connection with it?

To come to the item we are on at the moment, the minister gave $13,000 for the lease of the building on University avenue and Front street, I believe it is. Can he tell me how many feet of floor space that involves, how much per square foot, whether it includes taxes, and what is the basis of the agreement?

Mr. MACDONALD (Kingston City): The space in the Nerlich building is approximately 32,500 square feet, and the rental paid is $13,000 per year. Nothing is said about the taxes, so I assume that they are paid by the owner of the building.

Mr. ROSS (St. Paul's): Has the minister seen these recommendations?

Mr. MACDONALD (Kingston City): I think they are from Andrew D. MacLean, but I have received so many letters from that gentleman that I do not remember. However, I will look at the article again.

Mr. ROSS (St. Paul's): Does the minister know what the naval volunteers' association is?

Mr. MACDONALD (Kingston City): I have no knowledge of that association, but I imagine it is something in which Andrew D. MacLean is particularly interested. It has no official status and is not connected with the naval department in any way.

Mr. ROSS (St. Paul's): Is there any proposal under consideration that men who have served at sea shall be permitted to wear a distinctive badge?

Mr. MACDONALD (Kingston City): I think there is an arrangement now whereby men who go overseas on ships are entitled to wear a badge with "Canada" on it on the sleeves of their uniforms. Beyond that I know of no suggestion to provide any other distinctive mark to those who go overseas. All men in the navy are on active service and are liable for service anywhere.

Mr. FRASER (Peterborough West): This afternoon the minister said that plans for buildings were prepared by his department, but I should like to know how many architects or engineers there are in the department and who passes upon the final plans. Some time ago I believe there were two engineers in the department who drew up plans. I understand they were dollar-a-year men and that they left the department because someone else with no knowledge of architecture was put over them.

Mr. MACDONALD (Kingston City): The director of works and buildings is Mr. Young.

Mr. FRASER (Peterborough West): Does he pass finally on the plans?

Mr. MACDONALD (Kingston City): They are passed upon finally by the deputy minister and myself. He has a staff under him of roughly fifty architects and engineers, but I can get the exact number later for my hon. friend.

Mr. FRASER (Peterborough West): Has the deputy minister any knowledge of architecture or engineering?

Mr. MACDONALD (Kingston City): He is a valuable public servant, but his experience has been in business rather than in archi-

tecture. I have no great knowledge of architecture. What the deputy minister and I would be concerned with would be whether the building under consideration was right as to cost and size and so on. If we wanted a barracks, we would consult the men who were experienced in training men and ask how much space they wanted for a certain number of men. The plans would then be prepared and approved, and the Department of Munitions and Supply would be asked to call for tenders and let the contract.

Mr. FRASER (Peterborough West): Does the Department of Munitions and Supply also check on the plans?

Mr. MACDONALD (Kingston City): No, I do not think so. Once it goes from our department, they just act as our agents, so to speak.

Mr. DIEFENBAKER: I asked the minister a while ago for a computation of the amounts expended in the different provinces. I realize that it would be impossible for him to give this without having a staff in front of him, but I ask that he place this information on *Hansard* either this evening or to-morrow. I should like the amounts expended in each of the provinces under the various heads.

There is another matter which I did not have an opportunity of bringing to his attention yesterday because I was attending a committee meeting. I refer to the training of probationary officers. I should like a statement as to the number which it is anticipated will be trained this year and what facilities are available for this training. Over the week-end I was in Toronto and met two young men who joined a class of probationary sub-lieutenants last September. At the time I understand there were some sixty in the class. These men are subject to control and direction at all times. They gave up their positions in civil life in order to take this training in Toronto, but for some reason there seemed to be a bottle-neck in the training of these officers and thirty of them are now receiving only a small amount of training. I speak subject to correction, but my information is that they are receiving only two hours a week of training.

Mr. MACDONALD (Kingston City): I cannot understand why these young men should have given up their civilian jobs.

Mr. DIEFENBAKER: They expected to be called at any moment.

Mr. MACDONALD (Kingston City): It looks to me as if these men were attached to the division but had not been called for active service. In that event they should have continued with their civilian tasks until informed that they were required for full-time service, when, of course, they would have to go. The training of officers is done at King's college at Halifax, and it may be that there is a considerable waiting period for some of these officers who have joined the divisions and are waiting for their official calls. When Deep Brook gets going, some training of officers can be done there and I believe we shall be able to put them through more rapidly.

Mr. DIEFENBAKER: They are down to two hours a week now, but they started off with fairly lengthy training courses.

Mr. MACDONALD (Kingston City): There is something strange about the matter, but I shall look into it.

Mr. HAZEN: There are one or two questions which I asked the minister yesterday to which he has not referred. First, I asked about the number of trained men who are serving on shore. The minister said he would have to get that from all over the country and it would take some time; possibly he has not as yet had time to obtain the information. The other question was: How many men have been discharged from the navy on account of wounds; how many on account of injuries; how many on account of illness, and how many on other grounds; and another question was how many Wrens have been discharged from the navy. I do not know whether the minister is in a position now to answer those questions.

Mr. MACDONALD (Kingston City): Yes, I am, and I must apologize to my hon. friend for having overlooked them; I endeavour to note down the questions on separate slips of paper. In regard to the first point, it is very difficult to be accurate about this because, as I said, these men are all over the country; but from the information available I estimate that there are about nineteen thousand trained men on shore. Many of these, of course, are at work in dockyards in the maintenance and repair of ships; they are at manning pools; some of them are instructors; some are at signal stations on shore, and so on. I believe nineteen thousand would be an approximate figure. Then my hon. friend asked as to the number of casualties in the navy from wounds. The number of men wounded is, I think, 159.

Mr. HAZEN: Have they all been discharged?

Mr. MACDONALD (Kingston City): No; I am coming to the number of discharges in a moment. I shall find them directly, but if my hon. friend has any other questions I shall be glad to have them now rather than later on.

Mr. HARRIS (Danforth): Did I understand the minister to say that he would be glad to have any other questions now?

Mr. MACDONALD (Kingston City): Yes, on this item. I thought the hon. member for St. John-Albert had another question on this item.

Mr. STIRLING: There was a question I asked in regard to deductions; the minister did not have the information at the time.

Mr. MACDONALD (Kingston City): I am sorry; I do not think I have it yet.

Mr. HAZEN: Do I understand that the minister is looking up the answers to the questions I asked?

Mr. MACDONALD (Kingston City): Yes, I am; I thought I had the information right under my hand, but for the moment it is mislaid. Did my hon. friend have any other questions, while I am looking for this information?

Mr. HAZEN: I was going to revert for a moment to the extraordinary expenditure of $12,000,000 at Deep Brook, Annapolis county, Nova Scotia. This afternoon the minister told us that none of the eighteen Royal Canadian Naval Volunteer Reserve divisions would be closed up. He did not say, or at least if he did say it I did not hear him, whether or not any of the training schools at those seventeen or eighteen naval bases would be closed, or whether any of the technical schools at the universities would be closed. Will any of the training schools at the naval bases be closed, or will any of the technical schools now being operated at the universities be closed? I would also ask the minister to tell us what percentage of the trained men in the navy take refresher courses, and how often those courses are taken. Then yesterday the minister informed us that the decision to build a base at Deep Brook was reached by the naval authorities. I would ask him when that decision was reached, and also if he would tell us just whom he meant by the naval authorities.

Mr. MACDONALD (Kingston City): By that I meant naval officers.

Mr. HAZEN: Does he mean the Canadian naval board, or who are the naval authorities?

Mr. MACDONALD (Kingston City): They would have the ultimate decision, yes.

Mr. HAZEN: The minister says they would have the ultimate decision. I thought they were only an advisory board, according to a statement he made in this house in February of this year, when dealing with Commander MacLean's charges. At that time I think the minister said they were only an advisory board.

Mr. MACDONALD (Kingston City): That is true.

Mr. HAZEN: If that is true, how would they make the ultimate decision?

Mr. MACDONALD (Kingston City): If my hon. friend is endeavouring to suggest that I made the decision in connection with Deep Brook, I can tell him at once that I did not make the decision to go to Deep Brook. Naval officers, including the admiral commanding the Atlantic coast and the officers of the works and buildings branch, surveyed up and down the province of Nova Scotia and certain parts of the province of New Brunswick and eventually came to the decision that Deep Brook was the most satisfactory site. They so recommended to naval service headquarters, and their recommendation was approved.

Mr. HAZEN: I think the minister will have to admit that the final decision rests with him if this board is only advisory. It is not like the admiralty board in England.

Mr. MACDONALD (Kingston City): It is very much like the admiralty board in England.

Mr. HAZEN: It is very much like the admiralty board, but it is quite different from the admiralty board.

Mr. MACDONALD (Kingston City): How?

Mr. HAZEN: In the statement the minister made last year in reference to the charges made by Commander MacLean, at page 491 of *Hansard* for February 17, 1943, he said:

> In this connection, I should like to observe that the board of admiralty in Britain has no reserve officers on it.

Then he went on:

> The Canadian naval board is modelled on the British board of admiralty—

Mr. MACDONALD (Kingston City): Exactly.

Mr. HAZEN: But he went on to say:

> —with this difference, however, that the board of admiralty is an executive body whereas the Canadian naval board is a body advisory to the minister of naval services.

Mr. MACDONALD (Kingston City): That is right.

Mr. HAZEN: If it is an advisory body to the minister of naval services, is it not up to him as minister to make a final decision?

Mr. MACDONALD (Kingston City): In a matter of this kind, does my hon. friend think I could go all over Newfoundland? He

complained once in the house because I went around the country lecturing too much. He said I should go to Saint John.

Mr. HARRIS (Danforth): He did not suggest that.

Mr. MACDONALD (Kingston City): My hon. friend says he did not suggest it. How was I to judge the character of these sites and places, unless I visited them? But even then, would I be in a position to judge, as well as these naval officers? I think not. I did not go up and down the province of Nova Scotia or the province of New Brunswick. In this matter I relied on the opinions of my officers. And I think that having looked at the matter as they did, their choice was certainly wiser than mine could have been, had I gone over the ground myself.

Mr. HAZEN: Yesterday the minister went on to give reasons why this school or training centre should be established at Deep Brook. He said:

> I will say this, that the training facilities in this country are not at all sufficient for the training of our men. Furthermore, even though some men are trained at sea, a great many of them are being brought back for advanced courses.

I do not understand that statement by the minister. It is undoubtedly correct, but if the training facilities that existed last year were sufficient to train officers and men for 150 vessels added to the Canadian navy last year, it seems to me that this expenditure of $12,000,000 for a new naval school should have some further explanation than has been given up to the present by the minister.

Mr. MACDONALD (Kingston City): My hon. friend of course realizes that the navy is much larger than it was a year ago. Facilities that might be perfectly adequate in 1940, 1941 or 1942 might be entirely too small in 1943 or 1944.

Mr. HAZEN: Well, the minister is going to add this year to the navy the same type of ships he added last year. Last year he added 150 ships, but he has not said the number to be added this year. Last year he had sufficient training schools to train officers and men for 150 ships. On Monday evening, speaking about facilities, he said:

> Our facilities for the training of men have been developed to a point where we are now able to man the ships which are available to us. The task has been difficult, I am bound to say, but we have always been able to keep the manning of ships abreast of construction so that our ships are not kept out of operational duties through lack of trained personnel.

Mr. MACDONALD (Kingston City): Right.

[Mr. A. L. Macdonald.]

Mr. HAZEN: If the minister was able to keep the trained personnel up to the number of ships being supplied, and if 150 ships were supplied last year, why is it necessary to go out now and spend $12,000,000 for another training centre, in this fourth year of the war? Have the pros and cons of this matter been thoroughly considered? Have they all received his attention?

If the facilities existing last year were not large enough to supply the men who are needed for the ships which will be added this year, was any consideration given to enlarging the training centres which are at present in existence across Canada, and which have cost hundreds of thousands of dollars? Was any consideration given to extending those training centres, or are they now to be abandoned? Or is the minister to keep them up, and also develop this new $12,000,000 training establishment at Deep Brook?

Those are questions concerning which the committee should have further information.

I have one or two further questions about expenditures at Deep Brook. In addition to information in connection with amounts expended, I should like some further information about buildings to be erected there. How many buildings have been or are to be erected at Deep Brook? What kind of buildings are they to be? What will each of them be used for? What is the total estimated cost of those buildings? A return brought down recently showed a figure of $7,775,000.

Then, will the minister give particulars as to furniture and equipment for the establishment at Deep Brook, at an estimated cost of $733,000? Of what did this furniture consist, and what quantities of each kind are being obtained? What firms are supplying it, and what prices are being paid for the different kinds of furniture being supplied?

What was the cost of the equipment obtained? Of what nature was that equipment? Were tenders called before it was purchased? I would ask, also, to have furnished a detailed break-down of the last item in the return under the heading "other expenditures, $1,294,766". This is a large amount of money, and we are entitled to know how and why it was spent. I ask for these particulars in some detail.

Mr. MACDONALD (Kingston City): It will take some time. I cannot get it to-day or to-morrow, but I shall do my best to obtain it.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. MACDONALD (Kingston City): Mr. Chairman, some questions were asked this afternoon about discharges from the navy. I have here figures showing that from September 1, 1939, to April 30, 1943, there were 1,727 persons discharged from the navy on account of a very long list of physical conditions, and there have also been discharged in the same period four Wrens. A question was also asked as to the number of persons wounded. There were ninety-one wounded and injured who have been discharged.

Mr. NICHOLSON: Mr. Chairman, a year ago when these estimates were before the house I raised the question of giving consideration to providing housing for the personnel. I notice, according to information which the minister gave the other day, that there are 20,000 ratings from Ontario, 4,208 from Manitoba, 3,657 from Saskatchewan and 4,436 from Alberta. It is obvious that it will be necessary for these ratings to be away from their permanent homes for the duration of the war. The minister admitted last year that there were two centres, Halifax and Esquimalt, where there was a very serious shortage of housing. I would draw the attention of the committee to the fact that the United States navy pioneered in the field of war-time housing right from the entry of the United States into the war. It was recognized over there that the providing of houses for as many as possible of the officers and men would make a valuable contribution to the morale of the navy. They admit that it has not been possible to provide housing for all the men who joined, but they have gone a long way toward making it possible for the men to live as nearly normal a life as possible when they were home from the sea. In view of the fact that the minister has found it possible to make commitments for the present year of over $12,000,000 at Deep Brook, over $2,000,000 at another point, over $7,000,000 at another point, over $1,500,000 at another point, over $1,300,000 at another point, and over $5,700,000 at another point, it seems to me that if we can make such large capital expenditures in the fourth year of the war it should be possible for us to make capital expenditures for the providing of housing for the families of the men who go to sea. I would appreciate it if the minister would state whether he has made recommendations to the Minister of Munitions and Supply with a view to providing housing for the men in the navy, especially at Halifax and Esquimalt.

Mr. MACDONALD (Kingston City): The question raised by my hon. friend is one that has given a great deal of concern to the three defence ministers. It is not an easy problem to solve. A city such as Halifax is already greatly overcrowded, and the normal peacetime facilities of that city in the way of water mains, restaurants and the like are heavily taxed. It is just a question whether we should endeavour to tax them more heavily still by providing housing for the relatives of service men. I agree that there is an argument on the part of the relatives of the service men who see persons working in factories provided with housing. They may with a good deal of justice say that they are entitled to the same sort of treatment. But up to the present we have not endeavoured to meet that problem. It is a very difficult one.

In reply to a question that was asked this afternoon I would say that there are now some 17,000 members of the Canadian naval service in Canada who are not accommodated in naval barracks. That is one of the reasons why such places as Deep Brook have had to be built. Those 17,000 are being paid $1.25 a day out of which they provide their own lodging and subsistence. It is not the best system, I am bound to say, and as quickly as we can we are endeavouring to provide barracks not only at the coasts but at different points in between where such men can be housed and fed and trained.

Mr. NICHOLSON: Will the minister state whether his officials have visited some of the centres in the United States where the naval authorities have built housing, and whether reports have been received as to the value of these expenditures by the United States government?

Mr. MACDONALD (Kingston City): I do not think any of our people have visited those centres. I shall be glad to look into that. I am not sure that the United States government has endeavoured to provide housing for the families of all naval personnel. There is of course in this country always a number of our naval personnel at Halifax and elsewhere who are provided with houses. But to house all personnel and their families in and around bases involves the assumption of a very heavy task.

Mr. NICHOLSON: I did not wish to give the impression that they had provided housing accommodation for all naval personnel in the United States; my understanding was that the United States navy was the first department to recognize the importance of building houses. While I have not been able to get accurate information, I understand

that they have built between thirty-five and forty thousand units for the families of those men in the United States, and I would appreciate it if the minister would try to get some report from the United States navy as to the value of these projects, and give further consideration to making some similar commitments for the next year, particularly in Halifax.

Mr. MACDONALD (Kingston City): I thank my hon. friend for drawing this to my attention. I shall look into it very shortly.

Item agreed to.

5. Personnel supplies and services: food, medical and dental stores, clothing and personal equipment, $22,015,072.

Mr. FRASER (Peterborough West): Has the minister investigated the possibility of using pocket distillers for supplying water to lifeboats? Pocket distillers are being supplied to lifeboats by the British war transport ministry. The pocket distiller is a compact little machine which makes fresh water of undrinkable salt water. The apparatus weighs forty pounds and costs about $50. It turns out hot water for steaming drinks, as well as drinking water, and uses virtually anything in the way of fuel. In a pinch it will throw smoke signals to a passing ship.

Also, could the minister tell us what arrangements are made to have doctors on our corvettes and other boats, and what position pharmacists have on these ships?

Mr. MACDONALD (Kingston City): In answer to my hon. friend's first question, our research units, as I mentioned the other day, have carried on significant experimental work in the matter of life rations for men on rafts and boats. With these rations is a water-can and the water therein is treated in such a way as not to be contaminated by the tin of which the can is made. I cannot say that any conclusions have been reached as to the feasibility of distilling fresh water from salt water, but I shall be glad to look into that.

As to doctors on board ships, the smaller ships do not have doctors; the larger ones do.

Mr. FRASER (Peterborough West): Who looks after the men in the smaller ships? Is that the duty of pharmacists?

Mr. MACDONALD (Kingston City): There would be a sick berth attendant, at any rate.

Mr. FRASER (Peterborough West): That is what I am trying to find out. Is the man in charge a pharmacist?

Mr. MACDONALD (Kingston City): He would not necessarily be a druggist. I believe some of them are; but he is a man who has taken some special training in what you might call nursing and in what we call sick-bay work. He has some skill in treating wounds and that sort of thing.

Mr. ADAMSON: Does the Canadian dental corps take care of the navy as well as the other services?

Mr. MACDONALD (Kingston City): Yes; the army dental corps.

Mr. ADAMSON: There is one dental corps for the three services?

Mr. MACDONALD (Kingston City): It takes care of ours and, I believe, the air force also.

Mr. ADAMSON: Yes, it does.

Mr. FRASER (Peterborough West): Does the minister's department allow men who have enlisted or men in training to donate to the Red Cross blood-donor clinics? What arrangements has he made in that regard?

Mr. MACDONALD (Kingston City): I believe that a great many of the men do go. I do not know that we make it compulsory.

Mr. FRASER (Peterborough West): Does the department encourage them to go?

Mr. MACDONALD (Kingston City): The matter is brought before them; the importance of it is emphasized, and they are urged to go, if possible.

Mr. DIEFENBAKER: I think it must be under this item, namely "personnel services", that the matter of recruiting staffs comes. I would ask the minister whether consideration has been given by his department, as well as by the Department of National Defence and the Department of National Defence for Air, to eliminating the competition which is now carried on between the three services in the matter of recruiting. I believe we all realize that there is a certain pool of volunteers available; it is restricted to young men who have not yet received their call and to those who are within the ages of twenty to thirty-eight and who as yet, too, have not been called, the first being not yet subject to the call, the latter not having yet received the call. A few days ago the hon. member for Parkdale had a return brought down which shows clearly the competition between the armed services today for the same pool of men. According to that return, the Canadian active army maintains throughout Canada 122 recruiting stations with a personnel of ninety-three officers and 548 other ranks; the Royal Canadian Air Force has sixteen recruiting stations located in the principal cities with an administrative

staff of 140, including specialist staff, seventy-one medical officers, 533 other ranks and fourteen civilians; and the Royal Canadian Navy has twenty recruiting stations with personnel of twenty officers and forty ratings, together with thirty-one Women's Royal Canadian Naval Service officers and ratings. Having regard to the desire and the necessity of conserving man-power, also the effecting of such savings as would come from the concentration of recruiting under one head, has consideration been given by the minister and the other defence ministers to the advisability of eliminating what does appear an unnecessary expense through overlapping and competition?

Mr. MACDONALD (Kingston City): We do not maintain recruiting stations as such in the sense of setting up separate establishments in separate buildings. What we do have is, at each one of these eighteen divisions and also at other places, a recruiting officer. But in the sense of having a separate recruiting establishment in a separate building, we do not have it. Consequently I do not think there is any great additional expense; in fact there is no additional expense to the navy as a result of the policy we pursue in recruiting.

Mr. HAZEN: This item involved an expenditure last year of over $10,000,000. That is a large amount of money. I would ask the minister to give us in some detail a break-down of how that amount was spent. The general break-down we receive respecting expenditure of over $200,000,000 includes only thirteen items. We have been given similar very general data in connection with the army and the air force. I think these break-downs in all cases should have been furnished in much more detail. Had this been done, a considerable amount of time would have been saved by this committee and we would have been furnished at first hand with information to which we are entitled. I would ask the minister to let us know how much was paid for food, how much for medical and dental stores, how much for clothing and personal equipment; and also to give some idea of the nature of the food, material and clothing provided.

Mr. MACDONALD (Kingston City): I can give some estimate of cost per man, which is the method we follow in arriving at our total.

Mr. HAZEN: I did not ask for estimates of cost per man. I asked for the amount that had been expended under these different headings.

Mr. MACDONALD (Kingston City): I thought my hon. friend wanted figures to show of what this item was made up this year rather than expenditures for last year.

Mr. HAZEN: I am referring to last year.

Mr. MACDONALD (Kingston City): My book indicates what the proposed expenditures for this year will be, and we arrive at that by taking—

Mr. HAZEN: If I may interrupt again, I was referring not to expenditures for the coming fiscal year but to the amount that was expended during the last fiscal year, which came to a little over $10,000,000. We are entitled to know, and the taxpayers are entitled to know, just where that money went.

Mr. MACDONALD (Kingston City): I shall be glad to get that for the last fiscal year. I understood that we were dealing with the estimates for the coming fiscal year, and that my hon. friend wanted information on that point, which I am prepared to give. If, however, he wants last year's figures I shall have to get them.

Mr. ADAMSON: Let us have this year's.

Mr. MACDONALD (Kingston City): Take first the estimated cost of clothing per man. For chief petty officers and petty officers the estimated average cost of a uniform is $183, and for seamen the average cost per year is $139.50.

Mr. ADAMSON: Uniform without equipment?

Mr. MACDONALD (Kingston City): That is clothing and kit such as brushes and that sort of thing, what one might call the personal requirements of the sailor—$183 in one case and $139.50 in the other. For Wrens, the average cost of uniform is $140.17. Multiply that by 5,000, that being the estimated average number of Wrens, and we find the total amount necessary to provide clothing for Wrens. As for sea cadets, $7.50 per uniform for each cadet is the amount. Winter clothing per man is furnished at the average cost of $8.10; that is mitts, heavy caps, jerseys.

Mr. ADAMSON: Would that include such an item as the bridge coat of sheepskin?

Mr. MACDONALD (Kingston City): The duffle coat? No. A certain number of these are issued to the ship rather than to individual men.

Mr. ADAMSON: And they are not included here?

Mr. MACDONALD (Kingston City): I shall come to that in a moment. These are the main items under clothing. Then we come to victualling stores in the proper sense, such as dishes, knives and so on. Twenty dollars per man is the cost of the things that are

needed. This includes all the appliances and all the paraphernalia necessary for cooking, such as basins, boards, meat-choppers and the like. The medical stores are estimated to cost $3.58 per man per year. We took the average number of men for the year beginning April 1, 1943, and ending March 31, 1944, which was 70,000, multiplied that item by that number and got the figures which appear in the estimates.

Mr. GREEN: To what extent are members of the fishermen's reserve furnished with supplies? In his statement the other day the minister said nothing about this reserve, and it would be interesting if he would make a short statement as to whether the number of men has been increased or decreased and outlining the work they are doing.

Mr. MACDONALD (Kingston City): The clothing, victualling supplies and medical necessities furnished to these men would be the same as are furnished to men in the navy.

Mr. GREEN: Are they on full time?

Mr. MACDONALD (Kingston City): Oh, yes, in war time.

Mr. GREEN: What is the number of men in the reserve?

Mr. MACDONALD (Kingston City): I think it is something like four hundred, but I am speaking purely from memory and I do not want to put myself definitely on record. This reserve exists only on the Pacific coast and perhaps the hon. member knows more about it than I do.

Mr. GREEN: How many ships?

Mr. MACDONALD (Kingston City): I would have to look that up.

Mr. McNIVEN: Were we to cast our minds back to this day three years ago I think we would all agree that it was the bleakest, the most barren and the blackest day in our history up to that time. Following Dunkirk, June 10 stood out as a tragic hour, the most fateful day in our history. France had fallen, and on this date three years ago Italy declared war against the allies, the most cowardly, the most dishonourable act in the history of the world. Then on that date there was cast a pall of gloom over this city, over the entire country, for three years ago to-day, the Hon. Norman Rogers passed away, killed in the service of his country, than which there can be no more honourable death. The late Hon. Norman Rogers was a gentleman, a kindly, friendly man, a distinguished scholar and one who had rendered conspicuous service to his country.

[Mr. A. L. Macdonald.]

The Hon. Norman Rogers as Minister of National Defence laid the foundations for the armed forces of this country, the navy, the army and the air force. All agree that in the untimely passing of the late Hon. Norman Rogers Canada lost a distinguished son, one that we could ill afford to lose. However, emerging from the pall of gloom which fell on June 10, 1940, there came a voice that carried inspiration for us as well as sinister portent for the enemy. There emerged a figure, a veritable Gibraltar of democracy, whose indomitable courage electrified his people and galvanized an empire into action. That man was the Right Hon. Winston Churchill, and his was the speech that will stand as the greatest battle-cry of all history. He said:

> Come then, let us to the task, to the battle and the toil. Each to our part, each to our station, fill the armies, rule the air, pour out the munitions, strangle the U-boats, sweep the mines, plough the land, build the ships, guard the streets, succour the wounded, uplift the downcast and honour the brave. Let us go forward together in all parts of the empire, in all parts of this island. There is not a week, nor a day, nor an hour to be lost.

Three years have slipped by. With those three years in perspective can it be doubted for a moment that Canada and the Canadian people heard the call? "Fill the armies." Can we doubt that the call was heard after having listened to the magnificent story narrated by the Minister of National Defence (Mr. Ralston)? "Rule the air." Can we doubt it when we listened to the magnificent story unfolded by the Minister of National Defence for Air (Mr. Power)? "Strangle the U-boats, sweep the mines." Who can doubt that we have heard that call after having listened to the thrilling story told by the Minister of National Defence for Naval Services (Mr. Macdonald)? "Pour out the munitions." When we think of the continuous flow and tide of munitions that have been turned out by Canada in the last three years, there can be no doubt in anyone's mind that industry heard that call. "Build the ships." There is no doubt that the shipyards and labour of this country heard that call. "Plough the land." When we think of what agriculture has accomplished in the last three years in the growing of grain and foodstuffs, in producing the supplies that have been shipped across the Atlantic, there can be no doubt that the farmer and agriculturist of this country heard that call.

Not only did the Canadian people hear that call, but we in western Canada, the part of Canada farthest removed from the sea, heard that call. In my own city of Regina

there was established H.M.C.S. *The Queen.* The naval department fitted out and furnished the winter club and converted it into naval headquarters for Saskatchewan. Out of these quarters located in the most central part of Canada have been turned out over two thousand recruits for the Canadian navy.

Just here I should like to say a word by way of tribute to the men who made that possible, the men who in times of peace with great vision saw to it that in the city of Regina there was maintained the nucleus of a naval company. I think of Lieutenant Commander Hall, the first to command H.M.C.S. *The Queen,* who now is performing important duties on the Pacific coast. I think of Lieutenant Commander Grant, the second officer to have command, and of Lieutenant Commander Ellison, both of whom are now at naval headquarters here in the city of Ottawa. I think of Lieutenant Commander Pickersgill, who is now in charge of that establishment and who, as a Canadian officer serving in the Royal Navy, spent the last two years on active service, sailing the seven seas, coming back to our midst to perform other important duties. I should like to mention also chief petty officers Jeffries and Smith, who, after all, have had the responsibility for training these two thousand and more recruits who have made such a notable contribution to the defence of our country.

I like to think of his majesty's Canadian ship the corvette *Regina,* which was christened on October 25, 1941, and which distinguished itself in the Mediterranean when it literally blew an Italian submarine out of the water and captured the entire crew. There have been many references to the policy of the minister in naming corvettes after cities, and the results that have flowed from that policy. At the christening of that boat the citizens of Regina donated four radios and four electric toasters, and the Fidelio club, a group of young girls in the city of Regina, have taken the officers and crew of that boat under their wing and kept them supplied with comforts. I like to think of the action of the department, in naming that ship the *Regina,* as a tribute to the gallant young men from the city of Regina and the province of Saskatchewan who have enlisted in the Canadian navy.

I like to think, too, of his majesty's Canadian ship the destroyer *Saskatchewan.* I have taken the naming of that ship as a tribute to the men of western Canada who have enlisted in the Royal Canadian Navy. When the department announced its policy of naming destroyers after leading Canadian rivers, I wrote the minister pointing out that the Saskatchewan was truly representative of western Canada in that it had its source in the foothills of the Rockies, wended its way right across the province of Alberta and across the province of Saskatchewan into the province of Manitoba, where it empties into lake Winnipeg. So that, in the naming of that destroyer the *Saskatchewan,* there was paid a tribute to the men of the three western provinces who have enlisted in our navy. I like to think of the action of the department in naming a cargo boat the *Regina;* I regard that as a tribute to the farmers and to labour in Saskatchewan. The department and the government have recognized the work done and the foodstuffs produced on our farms, which this boat is destined to carry across the Atlantic to the scene of hostilities.

I am reminded, too, of a passage which I picked out not very long ago, and which no doubt will have a familiar ring:

> The British nation can be counted upon to carry through to victory any struggle that it once enters upon, no matter how long such a struggle may last, or however great the sacrifice that may be necessary, or whatever the means that have to be employed.

I do not know of any words that more accurately describe the British point of view or the conduct of the British empire during the last three years. One wonders who uttered that statement. One might think it was Pitt; one might think it was Churchill, or some other great British statesman, but the author of those words was none other than Adolf Hitler, in "Mein Kampf". Twenty-two years ago he accurately appraised the British people; but no doubt on this very night he will regard himself as a greater prophet than warrior.

Mr. DIEFENBAKER: Again reverting to the duplication in the matter of recruiting, if I understood the minister correctly he stated that he did not feel there was any extra cost incurred by reason of the existence of three distinct recruiting staffs, one for the army, one for the navy and one for the air force. The other day I asked the Minister of National Defence what was the cost during the year 1942-43 of recruiting for the army, and at page 3137 of *Hansard* the following particulars were given:

Pay and allowances of military personnel, $870,000, of which $510,000 is chargeable to recruiting	$510,000
Salaries and wages of civilian personnel	50,000
Advertising—newspaper, radio, billboards, etc.	375,000
Travelling expenses	225,000
Miscellaneous — comprising rentals, office expenses, etc., plus costs of special recruiting campaigns not included under above heads	130,000

That makes a total of $1,290,000. The minister indicated that the campaign for recruits for the navy did not add any extra cost, but I am sure he must be mistaken in that regard, for one sees an advertising campaign being carried on everywhere. The point I am trying to make is this, that if these three services would conduct one advertising campaign and one recruiting campaign, there would be a substantial reduction in the cost of securing man-power. There is only one pool, but to-day we have three services competing for the same men. These men are not allocated to the service in which they can contribute the maximum; each service has officers and men endeavouring to secure recruits for that service. So that I should like the minister to give the committee particulars of the pay and allowances of the naval personnel engaged in recruiting; the salaries and wages of the civilian personnel, if any; the advertising costs, travelling expenses, rentals and so on.

Having done that, I would ask him to answer the question I asked a while ago which he failed, I know through inadvertence, to answer. I asked whether consideration had been given by the defence services to the elimination of what must necessarily be a duplication of effort and of cost.

Mr. MACDONALD (Kingston City): The hon. member has said something about advertising by the armed services. So far as I know there has been no advertising for recruits by the Canadian navy. It is true that sometimes one may see posters on billboards, put up by advertising companies, and advertising certain products. But we have not paid out any money in advertising for recruits.

As I said before, our recruiting officers are stationed at the various divisions throughout Canada, and they do other work in addition to recruiting. They are merely there to attend to the recruits who come in to offer their services. In some instances they are paymaster officers, and in other instances, executive officers. But I would not be willing to admit for a moment that that should be charged up to recruiting. We would have those officers in the division in any event. We simply assign one man whose job it is to look after recruits as they come in; but he has other duties, as well. Consequently I find it difficult to allocate to the cost of recruiting any particular amount in these estimates, because, strictly speaking, I do not think there is any amount chargeable to recruiting.

Mr. DIEFENBAKER: I do not wish to press unfairly, but to whom is the advertising charged?

[Mr. Diefenbaker.]

Mr. MACDONALD (Kingston City): It is not charged to the navy; I can say that.

Mr. DIEFENBAKER: Then it must be chargeable to recruiting. Those are the figures I am trying to get. The Minister of National Defence points out, as I said before, that there are military personnel included in the figure of $510,000, who perform additional duties as well as recruiting. He states that $510,000 of the total salaries of military personnel, amounting to $870,000, is chargeable to recruiting. If the minister will say that he has no information on this, and that he cannot say under what authority or head the advertising is charged—

Mr. MACDONALD (Kingston City): What advertising? I do not wish to interrupt, but what is my hon. friend speaking about? Is he talking about advertising for the navy?

Mr. DIEFENBAKER: Yes.

Mr. MACDONALD (Kingston City): I say there is no advertising paid for by the navy; none.

Mr. DIEFENBAKER: Then I do not know where the ads come from which appear on the billboards. I have, I am sure, seen such ads, with the words, "Join the navy".

Mr. MACDONALD (Kingston City): Well, they do not come from the navy. We do not have to do it because, as I have said, we have a waiting list. There are people waiting to get into the navy. It may be that local firms are using pictures of sailors, and that sort of thing, in connection with their advertising. Possibly cigarette firms or victory loan committees are doing something of that kind. But I do not recall any instance where a single cent was authorized to be spent for advertising.

If my hon. friend wishes me to attempt to segregate the recruiting activities in these twenty establishments, as distinct from other duties, I shall try to do so. But it will be extremely difficult, because recruiting forms a very secondary part of their task.

Mr. McIVOR: Why do you not advertise?

Mr. MACDONALD (Kingston City): Because we do not need to advertise.

Mr. DIEFENBAKER: Then I should like to understand the meaning of the return brought down on June 7. It sets out in detail the fact that the Royal Canadian Navy has twenty recruiting stations, with personnel of twenty officers and forty ratings, plus thirty-one Women's Royal Canadian Naval Service voluntary ratings. Is that a mistake? If it is, then I can understand what the minister

has in mind. But the return brought down only the other day set out in detail the officers both of the navy and of the women's auxiliary who were engaged in recruiting, and it was pointed out that there are twenty recruiting stations.

Mr. MACDONALD (Kingston City): Those are the divisions. Those are the men at the divisions, and the divisions would be there in any event. I am sure my hon. friend finds nothing in the return about advertising.

Mr. DIEFENBAKER: No.

Mr. MACDONALD (Kingston City): Not a word is mentioned about advertising.

Mr. DIEFENBAKER: No.

Mr. MACDONALD (Kingston City): Then my hon. friend comes down to the matter of recruiting. I say, yes; there are recruiting officers in the navy, who have other duties as well to perform. For instance, in a division such as the one at London, Ontario, a recruiting officer would not be busy all the time in handling recruits coming in. I must add, however, that that city has done very well indeed. It has given some 2,700 or 3,000 men since the beginning of the war, but that would be at the rate of only three or four men a day. That is not enough to keep a recruiting officer busy. Whoever would do that work at the London office would have other duties to perform as well.

If my hon. friend wishes me to attempt to analyse the time spent on recruiting as compared with the time spent on ordinary, naval divisional duties, I shall be glad to do so. But it will have to be general and rather haphazard.

I repeat that no money is spent on advertising, and that recruiting officers in the navy do other work as well. We may have to come to advertising; I do not know. The time may come when we may have to advertise for certain special branches, where we may find a shortage of men. But at the present time no money has been spent by this department for advertising.

Mr. ROSS (Souris): I understand the minister to say nothing has been earmarked for recruiting. Has the department a publicity and public relations branch?

Mr. MACDONALD (Kingston City): Yes; I gave the details of it the other day.

Mr. ROSS (Souris); In general, or was there a break-down?

Mr. MACDONALD (Kingston City): I placed on *Hansard* the number of officers and the number of civilians, with salaries and wages.

Mr. ROSS (Souris): In the entire naval department there is nothing set up for recruiting purposes, except these offices. Is the minister's auditing department on the same basis as the auditing branches of the other two defence departments? Who is the chief of the auditing branch, and how long has he been in that office?

Mr. MACDONALD (Kingston City): The auditor general is, of course, over our department, as he is over the others. He is the chief.

Mr. ROSS (Souris): Is there any auditing system organized in each defence department?

Mr. MACDONALD (Kingston City): There is a chief treasury officer in the Department of National Defence for Naval Services, who is appointed by the treasury. He is not our appointee. In addition, we have our own financial superintendent, who is a naval appointee. That is the general set-up.

Item agreed to.

6. Signal and wireless equipment, line construction, et cetera, $4,592,188.

Mr. HAZEN: I should like to have a break-down of this item. I am referring to the amount of $986,447.64 expended last year. What part of this was spent for signal equipment; what part for wireless equipment; what for line construction, and what for the items included in the term "et cetera"? From whom were these materials purchased? There is an increase of $3,605,740.36 in the item over the amount expended last year. Why is there such an increase?

Mr. MACDONALD (Kingston City): I cannot give the figures for last year. I am dealing with the estimates for the current year. I shall have to ask my hon. friend to wait until to-morrow or some subsequent day for the information for which he has asked.

Mr. BLACK (Cumberland): What progress has the department been able to make in utilizing or developing devices and appliances to detect the passage of either friendly or hostile ships on the surface or submerged, especially in narrow waters such as the strait of Belle Isle, the strait of Canso and Northumberland strait? There is a belief that at this period of scientific progress we should be able to detect the passage of enemy ships in these narrow waters, and certainly no ship either friendly or hostile should be permitted to move in these narrow waters without a permit. Can the minister give the committee any information on that?

Mr. MACDONALD (Kingston City): It would be excellent if we could prevent hostile ships from moving on our waters simply by denying them a permit, but we cannot do that.

Mr. BLACK (Cumberland): That is not fair. I did not suggest that a hostile ship should get a permit. I say that no friendly ship should be allowed to pass through these waters without a permit, and I am asking whether the department is making any use of the latest devices to detect the passage of hostile ships within a certain distance from the shore.

Mr. MACDONALD (Kingston City): As to our own ships, they do not move in these waters without some sort of permit. There are naval control officers at all the main ports and sub-officers at minor ports. The movement of our own ships is fairly carefully regulated. As to hostile ships and measures to be taken for their detection, I cannot go into that publicly, as my hon. friend will realize, but I can tell him that the matter is under constant investigation by the experts at the British admiralty in London and elsewhere, by the United States naval authorities and by ourselves. Every new device that can be developed to assist in the detection of enemy ships is being studied and developed. Beyond that, I do not think I should go except to say that everybody realizes the importance of the matter raised by my hon. friend and everybody is, I think, working hard on it.

Mr. BLACK (Cumberland): I do not wish to press the minister if he thinks it is not in the public interest to make a statement on the matter. But in narrow waters like the strait of Canso or the strait of Belle Isle it should not be possible for a hostile ship either on the surface or submerged to pass without being detected. I do not press this question for reasons of safety, but I do think that in these narrow waters there should be a certain distance from the shore within which it would be impossible for a hostile vessel to pass without being detected. Can the minister make the positive statement that in the strait of Canso or in the strait of Belle Isle no hostile ship can pass without being detected.

Mr. MACDONALD (Kingston City): I would ask my hon. friend to remember this. As I have said before to this house, the English channel for some part of its length is only twenty-one miles wide; yet the British with all the strength of their navy and with air coverage from the shores have not been able to deny the English channel completely to enemy ships. That will give my hon. friend an indication of the tremendous difficulties in absolutely preventing the passing of a ship even through narrow waters. Not much more than a year ago, as my hon. friend will recall, a German battleship and several smaller German ships sailed through the English channel. That battleship got away in spite of the fact that it was heavily attacked by British warships, aeroplanes and submarines.

Mr. BLACK (Cumberland): Because it took advantage of the foggy weather.

Mr. MACDONALD (Kingston City): There was fog when they started out, but the German ships were heavily attacked in the channel and yet they got through. So that the problem of trying to guarantee complete immunity from attack by enemy ships in this place or that place is very great. All I can say to my hon. friend is that in certain waters in the province of Nova Scotia and on the eastern coast there are certain devices and certain protective measures taken, so far as we can take them, so far as we know enough about them.

Mr. FRASER (Peterborough West): Such as listening posts and detectors?

Mr. MACDONALD (Kingston City): There are various devices which can be used. Beyond that, I do not think I can go.

Item agreed to.

7. Ammunition and bombs, $14,245,890.

Mr. FRASER (Peterborough West): How much of this $14,000,000 is paid to the Department of Munitions and Supply? Is any of this money being paid to the British government for bombs?

Mr. MACDONALD (Kingston City): Part of this money will be paid to the British government. The Department of Munitions and Supply buys all these requirements for us.

Mr. GRAYDON: I suppose that depth charges are included in this?

Mr. MACDONALD (Kingston City): Yes.

Item agreed to.

8. Armament, including rifles, machine guns, naval guns, et cetera, $42,415,548.

Mr. FRASER (Peterborough West): I think the minister should give us a break-down of this. Some of this money will, I imagine, be paid to the British government.

Mr. MACDONALD (Kingston City): Some, yes. I can give my hon. friend the cost for a certain type of ship. Take a destroyer, for example. We estimate that the armament stores would cost $204,300 for the year. We estimate that the armament for a frigate would cost us $187,000.

Mr. FRASER (Peterborough West): That is the new type of ship which is being built?

Mr. MACDONALD (Kingston City): It is a new type of ship. Some of them are built. I am afraid I have not the exact figures for a corvette; it will be somewhat less than a frigate, probably fifty to seventy-five per cent.

Mr. FRASER (Peterborough West): It is only an estimate, anyhow.

Mr. MACDONALD (Kingston City): That is all.

Mr. FRASER (Peterborough West): The minister cannot compute how many days or in how many engagements a frigate or a corvette will be operating during the year?

Mr. MACDONALD (Kingston City): That is right. All we can do is offer an estimate.

Mr. FRASER (Peterborough West): Because if a frigate were in battle for only a week during the year, it would blow away the equivalent of $204,000.

Mr. MACDONALD (Kingston City): We average it, realizing that some would fight a good deal, some not so much, and some would be laid up for a certain time. That is about as close as we can strike it as an estimate.

Mr. FRASER (Peterborough West): Out of that, how much do you figure you would be paying to the British government?

Mr. MACDONALD (Kingston City): I cannot give my hon. friend that at the moment.

Mr. FRASER (Peterborough West): The minister could give me that to-morrow?

Mr. MACDONALD (Kingston City): A good bit of it would come from there. Some of the armament, including certain guns, would be manufactured here; certain others, in Great Britain.

Item agreed to.

9. Fuel cost of ships, $25,257,798.

Mr. FRASER (Peterborough West): Has the fuel capacity of corvettes been increased?

Mr. MACDONALD (Kingston City): The old type corvettes, the hon. member means?

Mr. FRASER (Peterborough West): The corvettes and the frigates. Has the fuel capacity been increased on account of the long distance they have to travel?

Mr. MACDONALD (Kingston City): Of course the new type of frigate has a longer range and a greater fuel capacity than the corvettes.

Mr. FRASER (Peterborough West): That is what I was getting at.

Mr. MACDONALD (Kingston City): I could give my hon. friend some figures concerning costs. The fuel bill is up very greatly, not merely because we have more ships but also because the cost of fuel has advanced very considerably. Take, for instance, destroyers; it is estimated that to fuel them for the year will cost about $5½ million. We estimate that fuel for our corvettes will cost more than $7 millions, and for mine-sweepers, over $5 millions.

Mr. ROSS (Souris): How many corvettes are in service?

Mr. MACDONALD (Kingston City): I do not know whether I should give exact figures, although perhaps it does not make much difference. There are over seventy and under 100. Fuel for Fairmiles will cost about $900,000.

Mr. BLACK (Cumberland): Of this total amount of $25,257,798, has the minister the amounts expended for oil fuel and for coal fuel respectively?

Mr. MACDONALD (Kingston City): Yes. There are not very many coal-burning vessels in the navy, and the amount expended for coal fuel is quite small in comparison with the total sum. Destroyers, frigates, corvettes, mine-sweepers and auxiliary cruisers are all oil-burners; Fairmiles are gasoline-burning boats.

Mr. CASTLEDEN: While the minister is getting these figures, would he include the costs and quantities of each of the different types of fuel?

Mr. MACDONALD (Kingston City): I have not that at hand. I would have to take out the ships which use gasoline and calculate the total accordingly. I am sorry I have not at the moment the total by species of fuel. I know what ships burn gasoline and what burn oil; I could add them together, but it would take some time.

Mr. CASTLEDEN: Could the minister give us the total gallonage of each and the cost of each?

Mr. MACDONALD (Kingston City): I will get that. It will take some time.

Mr. BLACK (Cumberland): The minister has not under his hand the exact costs of the coal fuel and the oil fuel. I wonder if we could get that later.

Mr. MACDONALD (Kingston City): Yes; I will get that.

Mr. BLACK (Cumberland): Has the minister's department explored the possibilities of using powdered coal to a certain extent as an alternative to oil fuel?

Mr. MACDONALD (Kingston City): I cannot say that we have. Our ships are designed, of course, on British models, and naturally we would be guided very much by what is done in England with regard to powdered fuel. I have not heard of any new researches in that field lately.

Mr. JACKMAN: Would the minister say whether any of the ships newly constructed in Canada or elsewhere are equipped for coal consumption, or are practically all of them oil-fuel burning?

Mr. MACDONALD (Kingston City): I do not know of any widening of the field in which coal-burning ships are used. In the Canadian navy there are a few relatively small ships which burn coal. As I say, I do not know of any extension of the coal-burning type of ship.

Mr. JACKMAN: Is coal less economical or less convenient, or are there reasons of space which determine the building of entirely oil-burning ships? The reason why I ask is, of course, that we have coal available on our own coast, in Nova Scotia, whereas there is great difficulty in obtaining oil at the present time, for transportation reasons. Are any coal-burning cargo vessels now being constructed in the United States or Great Britain?

Mr. MACDONALD (Kingston City): As to cargo vessels, I cannot say whether or not any of these are being constructed to burn coal. The whole matter of coal versus oil was thought out in Britain thirty years ago or thereabouts. The old ships of course burned coal. There was a tremendous argument in British naval circles at the time the change was proposed, and the change came before the last war when Mr. Churchill, I think, was First Lord of the Admiralty. At that time, most of the ships changed over to oil for the reason that the range of ships was increased by the substitution of oil. They could carry much more fuel in the same space than if they burned coal. I have never heard of the matter being reopened in England so far as warships are concerned. I have always looked upon the question as having been settled in favour of oil. It must be remembered, of course, that Britain herself has great supplies of coal in England, Wales and Scotland, and her problem of getting oil fuel is much greater than ours because all her oil fuel has to come overseas. So that I should think, if anything could be done to make coal available, either in its ordinary form or in the form suggested by the hon. member for Cumberland, namely powdered fuel, none of these possibilities would be overlooked in Britain.

Mr. ROSS (St. Paul's): Has the number of classes of lubricatng oils been reduced? Can the minister tell us that?

Mr. MACDONALD (Kingston City): I am sorry, I cannot. I shall have to look into it and get a report on the question.

Mr. ROSS (St. Paul's): I know there were seventy-five or eighty classifications of lubricating oil, and at one time they were trying to reduce the number.

Mr. MACDONALD (Kingston City): I shall have it looked into.

Item agreed to.

10. Acquisition, construction, charter, repair and upkeep of ships, $167,571,202.

Mr. ROSS (St. Paul's): I wish to say a few words about this item, and this is the only time I shall have an opportunity to do so. The other night the member for Vancouver-Burrard (Mr. McGeer) used these words:

> Sometimes, in this canoe-minded atmosphere of Ottawa, and in the pervading activity of the attitude of the great lakes, which was so completely hypnotized by the pacific influences of the Rush-Bagot treaty of 1817, Ottawa has forgotten that there is such a thing as a Pacific or an Atlantic ocean.

That would seem to be quite a slur on us in the central provinces and on the great lakes. There are a great many ships on the great lakes, and a great deal of shipping goes through the Soo canal; indeed, before the war it was the largest amount of shipping that went through any canal in the world. We have our master mariners and our sailors on the great lakes, and while a great many of them are still today on lake boats, a great many of them are on the ocean, as are also a great many of our lake boats. They are on the routes where the submarines are and these men are risking their lives. I want to pay a tribute to them. A great many of our sailors who are now in the merchant marine risking their lives in that way come from the great lakes, and many of the men in the Royal Navy and in the Royal Canadian Navy have also come from the great lakes. A great many of our men in the Royal Navy and in the Royal Canadian Navy—officers and men—have come from our yacht clubs. There has been a great activity in the city of Toronto for many years in connection with naval cadets, and our yacht clubs have always been

proud of their affiliations both with the Royal Navy and with the Royal Canadian Navy. A great part of the training of these men was obtained on the great lakes, and we have never exerted any pacific influences on Ottawa with regard to the navy. As a matter of fact, my own city of Toronto has been more navy-minded than any other city in Canada.

I do not know how many men from Toronto are in the Royal Canadian Navy; but, according to the minister's figures, there are 1,722 officers and 20,590 men from the province of Ontario itself. That does not look as if we who are on the great lakes and bordering the great lakes were pacifically minded or had been all these years; had we been, we would not have had that wonderful showing from the province of Ontario.

I take my hat off, and give a great deal of credit, to the officers and men of the navy who are doing such a wonderful job at the present time. Some of them went to the Royal Navy because they could not get into the Royal Canadian Navy at the beginning of the war, and I pay tribute to them for their valour and gallantry in the performance of their duty. I wish to put that on record lest I should be misunderstood. I have no criticism to make of the men of the Royal Canadian Navy or the naval volunteer reserve or the naval reserve. As I say, they are doing a wonderful job under very difficult circumstances. Their job is not a showy one; they are plugging away day in and day out. I know a great many of them and I know the difficulties they have to face. Some have been doing good work as far away as the Mediterranean. They have been through the "shows" over there, but they do not get the glory that some of the other forces do.

I do not think there is as yet any ship in the navy named after either my own province or my own city, and I suggest that when we get one of the new and bigger destroyers we might have it called the *Toronto*.

Could the minister say in a few words what the functions of the various types of ships are? It is not very well understood what the functions of the Fairmile or the corvette are; what a frigate has to do; what is a destroyer, and so on with regard to other ships we may have. A resumé on that question would be interesting. I do not know whether the minister can tell us what the range is or how far they can go and how they are armed, or the number of each classification of ships we have in the navy. There is great misunderstanding on the part of a good many people as to the functions of these various ships.

Mr. MACDONALD (Kingston City): Before I discuss my hon. friend's remarks, somebody asked about the total amount of fuel consumption. I have here the total amount estimated for the year. For bunker in barrels we estimate that we need 5,694,000 barrels; for diesel fuel in barrels we estimate 227,000 barrels; and for gasoline in gallons we estimate 5,336,000 gallons. These are the figures which were asked for by the hon. member for St. Paul's and which I could not put my hand on at the moment.

Mr. CASTLEDEN: What was the cost of each item?

Mr. MACDONALD (Kingston City): The estimated cost of bunker oil is $4.44 a barrel; of diesel oil, $4.66 a barrel; of ordinary gasoline, 27·93 cents a gallon; of high octane gasoline, 32·04 cents a gallon.

Mr. BLACK (Cumberland): What were the tonnage and cost of coal fuel used?

Mr. MACDONALD (Kingston City): I cannot lay my hands on that figure, but I will get it for my hon. friend. It is a small item. I am not sure whether it is 1,000 or 10,000 tons. I know I looked it up some time ago and was rather surprised that it was so low.

I can say to the hon. member for St. Paul's that I hope we shall be able to call a ship of the Canadian navy after his great city. We have adopted the policy of naming destroyers after Indian tribes or rivers, and we do not wish to break away from that practice. It is a simple and convenient way of naming ships, to name them after a river or a tribe or a town, or after a flower as is sometimes done in Great Britain.

Mr. ROSS (St. Paul's): You might name our first cruiser after Toronto.

Mr. SENN: When an application is made to name a ship after a town or city, how is it dealt with and in what way is the final decision arrived at?

Mr. MACDONALD (Kingston City): Years ago when we began to use the names of towns for corvettes we began in a rather unscientific manner and took names as they occurred to us, some of them being of towns that were quite small. As the navy expanded we began to see that we would have to systematize this practice, and for some time we have been using the towns and cities in order of population.

Mr. SENN: Are there any counties that have been honoured in this way?

Mr. MACDONALD (Kingston City): There are one or two. The city of Cornwall asked

to have a ship named after that place, but there is already a famous ship in the British navy called the *Cornwall.* The citizens of Cornwall stated that they would be glad to have a ship named after the county of Stormont, and consequently that name was given to a ship. Yes; we can consider the names of counties.

Mr. SENN: I believe an application was made at one time by my own county. In the first victory loan Haldimand was the first county to go over the top, and the people asked that the county should be honoured by naming a vessel after it. I do not know just what was done, but the request was never acceded to.

Mr. MACDONALD (Kingston City): I shall give consideration to what my hon. friend has said.

My hon. friend from Toronto inquired about the uses to which these ships are put. Shortly after the outbreak of the war the auxiliary cruisers, of which we have three, were converted to their present uses. Their range is considerable, one of them having made a trip to Hong Kong and back to Vancouver. They do escort work, guarding unarmed merchant ships, and carrying out other duties which may be assigned to them. I think everybody knows that destroyers are so named because they were first built to destroy U-boats. That is still their chief purpose. They carry torpedoes, and apart from some motor craft are probably the fastest type of warship afloat. They are very useful in providing a screen for the larger ships and are used to protect ships in convoy.

Mr. ROSS (St. Paul's): They have considerable fire power.

Mr. MACDONALD (Kingston City): The corvette was designed mainly for escort duty with the convoys. It is built somewhat on the lines of the whaling ship. Corvettes can be turned out relatively easily for a ship of war, and they have done excellent work in this war. If it had not been for these little ships, the situation might be very different for us to-day. It takes about as much time to build a destroyer either in Great Britain or here, as it does to build three corvettes. They can be built on the lakes and taken down to the ocean through our canals and rivers, something which could not be done with a destroyer. We were fortunate in having started to build these ships early in the war. We have more than seventy of them in our navy, and we have built a great many for the navy of Great Britain. Then the frigate I would classify as being in between the corvette and the destroyer.

Mr. ROSS (St. Paul's): We have not any of them yet?

Mr. MACDONALD (Kingston City): Some of them are afloat, but they are just coming into use. Generally speaking, they serve the same purpose as the corvette. They have more speed and a greater range than a corvette. They are larger and have more accommodation for the crew, which is larger than that on a corvette.

Mr. HAZEN: Is it expected that the frigates will take the place of the corvettes?

Mr. MACDONALD (Kingston City): I think we shall always have corvettes.

Mr. DOUGLAS (Weyburn): Has the frigate heavier fire power?

Mr. MACDONALD (Kingston City): About the same, so far as guns are concerned. The corvette is not to be trifled with because it has good hitting power. It lacks the speed of the destroyers or the larger ships. The frigate is about the same as the corvette in fire power; it has more guns, but they are of about the same strength.

Mr. ROSS (St. Paul's): Is it as good a sea boat as the corvette?

Mr. MACDONALD (Kingston City): It is said to be better. Those who have tried them are very much delighted with the frigates, which are said to be splendid in every way.

Mr. REID: Could the minister tell the committee the speed of the corvette as compared with that of the submarine?

Mr. MACDONALD (Kingston City): I think about the greatest speed a submarine can make on the surface, so far as we know, is about nineteen or twenty knots. It is difficult to estimate these things accurately, I suppose, because actions of this kind are carried through so rapidly. When a submarine submerges, however, its speed is cut down to less than half the surface speed; I think about eight knots is the best it can do under water. A corvette can easily deal with a submarine when it is submerged, but on the surface it would be desirable if the corvette had a little more speed; I will put it in that way. The frigate supplies that need and is consequently a welcome addition to the fleet.

The mine-sweepers are, of course, intended to sweep up and destroy mines laid by the

enemy in our waters. As a matter of fact, we have used a great many of these mine-sweepers in the same way as corvettes, and in many respects they are the same sort of ship. They have guns; they have depth charges; they have asdics and so on.

Mr. ROSS (St. Paul's): Have we about enough mine-sweepers now?

Mr. MACDONALD (Kingston City): We have a good fleet of mine-sweepers. Fortunately we have not been bothered very much by enemy mines, but we are ready to deal with them if they do show up in our waters.

Then I pass on to the Fairmile, which is a wooden ship with a fairly good turn of speed, but of course without the endurance or the strength or the seagoing qualities of the corvette. In its present form at any rate the Fairmile will never be a transatlantic escort ship. It is very useful in coastal waters, such as the Irish sea or the English channel or the Bristol channel, and on this side it is useful in such waters as the river and gulf of St. Lawrence, and thereabouts.

Then we have the fishermen's reserve, about which my hon. friend asked previously. I have counted up the number here, and I think we have about fifty fishermen's reserve boats. In addition, of course, we have a great many other harbour craft, which are not fighting ships at all, such as tugs, some tankers, and gate vessels, which are used at the gates which guard the entrance to certain of our harbours, where there are nets stretched across which can be opened and shut at will. These gate vessels attend to that work. There are a great many of these other ships, which I do not think I need mention particularly, but which in their own way are all useful.

Mr. ROSS (St. Paul's): The Fairmile is not really a fighting ship, is it?

Mr. MACDONALD (Kingston City): Yes, it can fight; it has the means.

Mr. ROSS (St. Paul's): That is what I do not quite understand. Is it not more of a reconnaissance ship? It has no torpedo tubes, like the British ship of the same sort, and it has not much fire power. Of course it has depth charges—

Mr. MACDONALD (Kingston City): Yes.

Mr. ROSS (St. Paul's): —and I suppose its speed would make up for whatever it might lack in dealing with a submarine, but I was wondering if it was really a fighting ship.

Mr. MACDONALD (Kingston City): Yes; it has depth charges and guns, but it is a wooden ship and it is not extremely powerful. It has more speed than a corvette but, as I say, it is mainly useful in coastal patrols and narrow waters, such as the gulf and river St. Lawrence.

Mr. DOUGLAS (Weyburn): Is it customary, when ships are sunk, to give the same names to new ships? I ask this because the minister mentioned the practice of naming some of these ships after cities across Canada. The town of Weyburn was greatly honoured by having a corvette named after it, and the citizens of that town took great interest in the welfare of the officers and men of that ship. We sent radios for the entertainment of the men, and the women of the town supplied them with comforts and kept in contact with the crew. Naturally we felt very badly about the loss of the ship, and we are hoping that at some future date there will be another *Weyburn* and that the citizens will be allowed to take the same interest in the welfare of that ship. I wondered if there was any tradition in the navy against that.

Mr. MACDONALD (Kingston City): No, not if the ship has been lost in action; we consider it quite a good thing to give the same name to another ship. If it has been lost through a marine disaster, a collision or something of the kind, it is not considered lucky to use that name again, at least for some time. But when a ship has gone down fighting, as the *Weyburn* did, I am sure it would be an honour to the navy to have another ship of that name, and in due time we shall have another *Weyburn*. I do not know whether any ship is available now; it may be some months, but we have not forgotten the *Weyburn*. A ship called the *Charlottetown* was lost in action last year; this year we have given that name to another ship. So it is with the destroyer *Ottawa,* which went down fighting while protecting a convoy last summer. We have given that name to one of the destroyers lately received from Britain.

Mr. CLEAVER: On behalf of my constituents in the riding of Halton I should not like these naval items to pass without saying a word of appreciation and congratulation to the minister, the officials of his department, and the officers of the navy in regard to the tremendous expansion that has taken place in Canada's navy. We in Halton are rather navy-minded, since we were so fortunate as to have two of these little ships named after towns in the riding, the *Burlington* and the *Oakville,* and the minister and the admiral of the fleet were so gracious as to come to the riding for the christening

of these vessels. So that it is only natural that the people of Halton should be very navy-minded.

On looking over the record, I cannot help but be very proud of my native province of Ontario in this connection. The hon. member for St. Paul's has referred to this matter already this evening, but I know he will not mind if I say something about it also. Our little navy, at the opening of the war, had just fifteen small ships and a personnel of fewer than two thousand. As we know, it has grown until now it has something over 550 ships and a personnel amounting to two-thirds the peace-time establishment of the British navy. The story is almost unbelievable and would not have been possible but for the very best and most efficient management and direction on the part of the minister's office and the permanent naval force, as well as the greatest of cooperation on the part of the civilians of this country.

I should like to put on record a few items of particular interest to Ontario. Though a land-locked province, except for the waterways of the St. Lawrence, Ontario has contributed nearly forty per cent of the manpower of the Canadian navy as it stands to-day, and has built just over one-half of the ships of that navy. Within Ontario there are seven reserve divisions of the Royal Canadian Navy. These divisions are the recruiting and basic training establishments of the Royal Canadian Naval Volunteer Reserve. They are situated at the following centres: Hamilton, H.M.C.S. *Star*; Kingston, H.M.C.S. *Cataraqui*; London, H.M.C.S. *Prevost*; Ottawa, H.M.C.S. *Carleton*; Port Arthur, H.M.C.S. *Griffon*; Toronto, H.M.C.S. *York*; and Windsor, H.M.C.S. *Hunter*. Depending upon the area and population which they serve, these Ontario training establishments vary in size. H.M.C.S. *York*, at Toronto, with a complement sometimes as high as 1,800, is the largest inland training base in Canada, and one of the largest in the entire British Empire.

These seven divisions, as are all R.C.N.V.R. divisions in Canada, are under the command of Captain E. R. Brock, R.C.N.V.R., commanding officer, reserve divisions.

H.M.C.S. *Conestoga* at Galt, Ontario, has the distinction of being the only ship in the Royal Canadian Navy manned entirely by women. It is the W.R.C.N.S. basic training centre, with a complement approaching the 600 mark.

So that hon. members can fully appreciate how thrilled the people in my constituency were when, less than a year after the minister and the admiral visited Oakville for the christening of the ship *Oakville*, we read in the press that the *Oakville* had made her first kill. In the middle of the night the corvette *Oakville* had rammed a German submarine three times, and on the third occasion had made a really good job of it. The crew were taking no chances, and a boarding party of two, in the dark of night, jumped from the *Oakville* aboard the submarine, and bumped off three men on the deck. One man went below to take care of the German crew.

Mr. FULFORD: One of them was a Brockville boy.

Mr. CLEAVER: Quite true. Checking over the crew of the *Oakville*, it would seem that it was the *Oakville* only in name. Men were there from all parts of Canada.

At the outbreak of war our naval officers had a rather serious choice to make. There were three types of navy to choose. One was a navy of capital ships, the second a navy of submarines, and the third a navy for convoy duty. Fortunately for Canada I believe—and I believe the house believes—the correct choice was made. Canada decided we would specialize in convoy work. Look at the result to-day. To-day the Canadian navy is doing half the convoy duty on the Atlantic ocean, and has safely convoyed something over 13,000 vessels, with a loss of less than one per cent. A Canadian naval officer and a Canadian air officer have complete operational command over the entire western half of the Atlantic. Therefore I wish to add my word of congratulations and appreciation with respect to the tremendous task which has been so well carried out.

Just one word in closing. It is difficult for us to appreciate the size of the Canadian navy. Looking over figures which might make a comparison possible I happened to find this: Do hon. members know that in this year of this war we are spending on the Canadian navy an amount greater than Canada's total expenditures during the peak year of the great war?

Mr. HAZEN: In the course of his statement on Monday night about the work of his department and the activities of the Canadian navy, the minister said, as reported at page 3406 of *Hansard:*

> To-day the Canadian navy boasts a fleet of over 550 ships of all types.

That statement must have been carefully prepared. I believe it was given fairly wide publicity in the press. I regret to say it was not correct, and upon reflection I think the minister will agree with me that it was not

correct. I think the record should be kept straight, and the size of our navy should be kept in its proper perspective. We get nowhere by boasting.

We have no capital ships. We have no ships of many other large classes. The minister was much nearer the mark, and much more accurate this afternoon when he said that our navy is a small-ship navy. With that statement I find no fault. But the statement he made on Monday evening should be corrected.

How many of the 550 ships, or thereabouts, in our navy are manned by over 100 men? How many have establishments of over fifty men? How many are manned by over twenty-five officers and men? If we have seventeen destroyers—and I do not know the exact number—and if each destroyer has a crew of 160—and that is about the establishment of a destroyer; it may be a little more or less—then we would have 2,720 men on our destroyers. If we have 120 corvettes—and I do not know the exact number—and the establishment of a corvette is fifty-eight men, then we would have 6,960 men on our corvettes. This accounts for 9,680 men out of the 20,000 men in our navy who are at sea. Then, of that 20,000 we have 1,400 in the British navy. The remainder of men at sea would be about 8,920, and they would be distributed among 413 ships, or an average of about twenty-one officers and men to a vessel.

Vessels of this size cannot be described or regarded as very large fighting ships. Last May when the minister's estimates were before the house he told us we had about seventy-five corvettes, about forty-five mine-sweepers, about a dozen armed yachts, about two dozen Fairmiles and between twelve and twenty destroyers in the navy. Would he tell us how many destroyers, corvettes, mine-sweepers and Fairmiles we have in the navy to-day? Have improvements been made in the corvettes? How many Fairmiles are in commission? Of those in commission how many, on an average, are on active service, and how many laid up for repairs? Is it the intention of his department to increase the number of Fairmiles? Have they given satisfaction?

The break-down that he furnished us with states that $74,979,157.67 was spent for the acquisition, construction, repair and upkeep of ships during the past fiscal year. This year the estimated expenditure is $167,571,202. That is an increase of over 100 per cent. I would ask the minister if this means that the number of ships which were taken into the navy last year, namely about 150, is to be doubled, or does it mean that different and more expensive ships are to be built? I would also ask the minister if there are many ships under charter by his department, and whether he can tell us the approximate number under charter and just what kind of ships they are and the nature of their charter parties.

Mr. MACDONALD (Kingston City): First of all I would ask my hon. friend, in what respect does he allege that my statement as to the Canadian navy consisting of 550 ships of all classes is not correct?

Mr. HAZEN: I state that you cannot say you have a navy of all classes when you have no battleships, when you have no first-class, no second-class and no third-class cruisers, when you have no submarines, when you have no aircraft carriers and when you lack several other types of ships which are found in any of the great navies of the world.

Mr. MACDONALD (Kingston City): When I speak of a navy of 550 ships of all classes what I mean is, not that we have every type of ship in our navy, but that 550 is the total number of ships of all kinds, great and small, that we have. That is what I mean, and I think my hon. friend might once in a while give the benefit of the doubt to this department, and not constantly put the most unfavourable possible construction on what is said or done.

Mr. PERLEY: I am sure we all admit that the Canadian navy has made wonderful strides and that a great deal of credit is due to Canada and to the department for what has been accomplished. While sitting here I have been listening to a number of members doing a little boasting about the corvettes and other ships named after their towns or districts. The hon. member for Regina gave quite an oration to-night along that line and we listened to another just a few moments ago. I did not intend to take any part in this debate, but after what other members have said I feel impelled to speak of my town and the province of Saskatchewan. Saskatchewan itself has a splendid record so far as the navy is concerned, because out of the total navy personnel of 59,000 officers and ratings that province has contributed 3,787, and we shall contribute a great many more officers because I am sure that those who are now undergoing instruction will acquit themselves creditably.

My own district and in particular the town in which I reside have a splendid record. A great number of our boys have joined the navy, and I should like to mention in particular two boys from my town, Garden and Cooke, one of whom has distinguished himself by working his way up until he is now

second in command on one of the corvettes. His name is Grant Garden. The other boy from my town, Leighton Cooke, is in the medical service in the navy, serving as one of the chief officers on a hospital ship which has sailed on the Atlantic and which at last reports was in the Mediterranean. I wish that to go on the record here, and if there are to be any more ships named after certain districts or towns I think the Minister of Agriculture will join with me in suggesting that Qu'Appelle be given to a corvette or some other naval vessel. It is a historic name in our province. Fort Qu'Appelle was an important fort in the days of the early settlement of our province and in the northwest rebellion. So that I suggest to the minister that the name Qu'Appelle be given to one of our new corvettes.

Mr. HAZEN: I asked the minister a number of questions a few minutes ago about the establishments on the ships in the Canadian navy. Could he furnish me with an answer to those questions this evening?

Mr. MACDONALD (Kingston City): My hon. friend wants to know the number of men in the crew on each type of ship; is that it?

Mr. HAZEN: No. My question was this: How many of the 550 ships or thereabouts in our navy are manned by crews of over 100 men; how many have an establishment of over fifty men; how many have an establishment of over twenty-five men?

Mr. MACDONALD (Kingston City): I do not know that I can give my hon. friend the exact number of ships, but I can tell him that all destroyers would have a crew of over 100 men, and frigates also. Corvettes and mine-sweepers would all have crews of more than fifty men. The usual crew of a Fairmile would be less than twenty-five. I do not think I can give publicly the exact number of destroyers, corvettes, mine-sweepers or any other class of fighting ship that we have. I have never given that. I have always stated that we have something like 500. That is as near as I can give it. Our auxiliary cruisers would have a complement of something over 200.

Mr. HAZEN: I also called the minister's attention to the fact that last year when his estimates were before the house he gave us in round figures, and I presume they were approximately correct, the number of destroyers, the number of corvettes, the number of yachts, the number of Fairmiles, and I think some other types of vessels in the Canadian navy. I wonder if it is not possible for the minister to give us to-night in round figures similar information, in view of the fact that the navy has increased by about 150 ships during the past year.

Mr. MACDONALD (Kingston City): I cannot give my hon. friend exact figures. To be very general, the number of destroyers is more than twelve and not quite two dozen. As I told the hon. member for Cumberland, we have over seventy corvettes in commission at the moment. We have nearly as many mine-sweepers as corvettes, and about an equal number of motor launches of one kind and another. We have also various patrol craft and auxiliary vessels—harbour patrol craft, fishermen's reserve vessels, and the like—making up the rest of the navy.

Mr. GREEN: Is the minister satisfied with the position in escort vessels? Last February a statement was made by Desmond A. Clarke, director general of shipbuilding, that it was most important that we should get more men to work building these escort ships. He estimated the number of men required as "in the thousands"—

> "And we need them right now, not for cargo ships but for fighting escort vessels," he said. "We must lick the submarine. There is no use building more cargo ships to have them sunk."

That was in February, and I understand that considerable progress has since been made in getting additional escort vessels. But what is the situation at the present time? Is Canada building sufficient escort vessels to give the navy a reasonable chance to do its job?

Mr. MACDONALD (Kingston City): It is difficult to say whether we have enough escort vessels. We could use more, of course; so could every navy in the world, I suppose, if it had the men to man them. I can only say that we have tried to keep reasonable accord between our training of men and our production of ships. We are getting just about as many ships as we can comfortably man.

Mr. GREEN: The minister is satisfied, then, with the production of escort vessels in Canada?

Mr. MACDONALD (Kingston City): So far, on the whole, yes. There have been occasional disappointments; there have been delays, and many of them are unavoidable. Take the procurement of machinery; it is very difficult to get all the machinery for these ships on time. Much of it is delicate and intricate; some of it has to be obtained from factories outside this country, and all sorts of things may occur to delay the furnishing of materials, but these are disappointments which one has to expect. On the whole I am not dissatisfied.

Not long since, the First Lord of the Admiralty of Great Britain, speaking in the House of Commons, I think on his own estimates, said that this country had made remarkable progress in shipbuilding, considering what it began from before the war. My hon. friend knows that the shipyards in the west and on the east coast were practically idle. I do not suppose that the tonnage built in Canada before the war, say in 1938 and 1939, would amount to more than a few thousand tons a year. Now it is well over a million tons, including cargo and naval ships. Mr. Alexander was happy and generous enough to pay a deserved tribute to what had been done.

Mr. GREEN: The minister is satisfied with the production of escort vessels in Canada now?

Mr. MACDONALD (Kingston City): On the whole, yes.

Mr. GREEN: What progress has been made in the production of destroyers? We commenced some time ago. How is the work progressing? There were newspaper dispatches in March of this year to the effect that there was difficulty in getting some of the equipment from the British manufacturers, that is, some of the data, that they were holding out on information which was necessary in order to proceed with the construction of these ships. If that was so, it was a serious situation. Would the minister tell us the position at the present time, and would he also let us know whether more destroyers are to be built in Canada, and whether this work is being carried on in such a way that it will be possible for us to build destroyers after the war in this country?

Mr. MACDONALD (Kingston City): I am glad my hon. friend raised the question about the supply of machinery and materials from Great Britain. Statements were made, I am sure in all good faith, that the British manufacturers were not willing to part with their plans for machinery. I think that arose over an act of the British censor, in stopping some plans which were being sent out from Britain to a shipbuilding firm which is building destroyers in Halifax. The British censor, acting I have no doubt under the censorship regulations, returned these plans and said he would not let them pass through to this country. That delayed for some months the securing of these plans, and it was supposed by some that British manufacturers were holding them up, when as a matter of fact the delay was caused by the British censor. I am glad my hon. friend brought that matter up, because I wish to do justice to the British manufacturers and not have it thought that they deliberately withheld plans in order to concentrate all shipbuilding construction in their own country. That was not the situation. On the other hand, I understand how the people in Halifax would feel. Not being able to explain this delay, knowing the plans should be there, and not finding them there, they would assume that there was some deliberate policy of selfishness behind it. So much for that.

Mr. GREEN: What about the rest of my questions, namely the progress which is being made in the construction of these destroyers, whether more are to be built in Canada, and whether it will be possible for Canada to build destroyers after the war?

Mr. MACDONALD (Kingston City): We have two destroyers building in Britain, very near completion. I hope they will be completed within a couple of months. In addition, we have two building in Canada. My hon. friend asks as to the progress made on these two. It is on the whole satisfactory, considering that this is the first job of the kind. Again, we are finding some difficulty about getting the machinery in on time, but we are endeavouring to speed it up. We hope to get the ships out not too far away from the contemplated completion date.

As to whether we in Canada will continue to build destroyers after the war, if there is a Canadian navy, as I hope there will be, destroyers will form part of it, and there is no reason why they cannot be built in Canada, particularly in peace time. There will not be nearly as much trouble about getting skilled help from Great Britain in peace time if we need it, as there is today. It is very difficult to get skilled shipbuilders out of Britain now because they need them all there. After the war that condition will not apply to nearly as great an extent as it does now and consequently there will not be the same obstacle to the building of destroyers in this country. The construction will cost more, probably, than if they were built in Britain; otherwise there is no reason why we could not train skilled shipbuilders here to do the work and do it well.

Mr. GREEN: Would we be able also to build light cruisers in Canada?

Mr. MACDONALD (Kingston City): Yes; I think a cruiser would be easier to build than a destroyer, which is one of the most difficult of all warships to build on account of its tremendous hitting power and strength contained in a very narrow space. If you can build a destroyer, I think you can easily build a cruiser.

Mr. ESLING: Early this year Nelson, in the eastern portion of British Columbia, through the board of trade of that city, submitted to the minister's office blueprints and specifications and the fullest details of the community centre in which the city has invested $300,000. It asked the minister if he would not give consideration to the use of the civic centre for the purposes of a naval training school. There are recreation grounds and there are ample facilities in this community centre. There is ample accommodation for the purposes of residence, and the city of Nelson has contributed generously in men to the three arms of the services. It has responded most creditably to the six loans. But it has not had recognition of any kind whatsoever from the government in the way of war industries or the establishment of any war service.

I want to ask the minister if in all fairness he will not give consideration to the request of the city of Nelson. Will he not look into these plans. We have there not only accommodation in the civic centre but about 100 miles of waterfront including Kootenay lake, which offers the most acceptable facilities for naval training. Perhaps the minister in a moment of generosity will give consideration to the request from that city.

Mr. MACDONALD (Kingston City): I thank my hon. friend and I certainly will give consideration to his request. I remember very well the letter from the board of trade. The best I have been able to do is to give the name of *Kootenay* to one of the destroyers, and while that is not a material advantage to the people, it is some recognition. I shall keep fully in mind the possibilities of Nelson, and again I thank my hon. friend for having drawn the matter once more to my attention.

Mr. ROSS (St. Paul's): How does a mine-sweeper compare with a corvette in cost? Are they not about the same price?

Mr. MACDONALD (Kingston City): Cost?

Mr. ROSS (St. Paul's): Yes; cost of production.

Mr. MACDONALD (Kingston City): The larger mine-sweepers cost more than corvettes. There are various grades of mine-sweepers. The larger ones are more expensive than the ordinary type of corvette, and then you grade down to the smaller ones, which are about the same as the corvette, while there are some others not so expensive as the corvette. They run in various sizes.

Mr. ROSS (St. Paul's): I have in mind the larger mine-sweepers which cost more than the corvettes, and I was wondering if they were continuing to make these vessels. Has the corvette not proved better as far as convoy work is concerned?

Mr. MACDONALD (Kingston City): I think they are both needed; both have their uses. We have more corvettes than mine-sweepers, it is true, but the difference is not very great, and we are continuing to build both.

Mr. ROSS (St. Paul's): The mine-sweeper has not the same range as the corvette. Is that not one of the difficulties?

Mr. MACDONALD (Kingston City): Usually that would be true. It depends on the type of mine-sweeper the hon. member has in mind. The corvette has a little more than some of the mine-sweepers. There are several grades of mine-sweepers. Generally speaking, the corvettes have greater endurance, but some of the mine-sweepers come up fairly close to them—the larger type.

Mr. HAZEN: What is the tonnage of the corvette and the tonnage of the Fairmile? Can the minister give some idea of the tonnage of the smaller craft that are fitted for the many duties of modern sea warfare?

Mr. MACDONALD (Kingston City): I do not quite see the point of the question and I am not sure whether it should be answered. I do not see the point of asking for the tonnage of corvettes and making such things public. We do not usually do it.

Mr. HAZEN: I will not press for it if the minister does not think it should be answered.

Mr. MACDONALD (Kingston City): I can tell my hon. friend privately what it is for the various types of mine-sweepers, but I am inclined to think we should not make it public. We have never given to the public the exact dimensions of ships, and I do not think I should do so.

Mr. KNOWLES: There is just a word I should like to say. At the moment I happen to be the only one of the Winnipeg members in the house, and so I feel I would be remiss in my duty if I did not join with others who have expressed pleasure at the honour conferred on various cities and towns in the names given recently to Canadian ships of war. The people of Winnipeg are quite honoured in the decision made to name a ship after our city, and already considerable interest is being taken in this ship, as will be taken in the crew. Perhaps the committee might enjoy a bit of a slip which the minister made in this connection. I understand he wrote to the

mayor of Winnipeg suggesting that his wife might come to the head of the lakes and christen the ship. It so happens that Mayor Coulter, although he is anxious to serve his country in every possible way, has been unable, I understand, to find a wife for the occasion. He happens to be a bachelor.

Mr. McNIVEN: The hon. member said he was the only Winnipeg member in the house. Is he aware that two Winnipeg members are on active service?

Mr. KNOWLES: I thank my hon. friend for mentioning that fact. I had it in mind and intended to state it while I was on my feet. I am grateful to him for mentioning it.

Mr. ADAMSON: As one of the members who happen to have taken part, a rather inglorious part, being merely blown out of a window in the Halifax explosion in 1917, having subsequently gone to sea on convoy duty, I wish to say one or two words on behalf of the men who are now carrying out this duty. In those days the convoy that left Halifax immediately after the explosion travelled at an official speed of four knots. Actually it was about three and one-half knots, or about a good walk. If anyone wants to know how long it would take to walk across the Atlantic, I may say that it would take thirty-one days, because that is how long we took on that convoy across the ocean. Fifty-seven ships went loaded with munitions, ships similar to the *Mont Blanc* that blew up, one caught fire half way across the Atlantic, and we had to go and put out the fire. There is no job that requires the same constant vigilance, unseen and unsung, and the same attention to detail, as the convoy. There are few medals issued and many of the men do not get a chance for action. The success is measured by the delivery of the convoy to the other side. The other day Mr. Churchill said that a full ship delivered is a great deal more valuable than a ship built. That can be easily understood when one visualizes what a ship can carry.

The minister has been twitted about matters of expenditure. There is an incident I always remember about my first trip to sea in an escort vessel with a convoy. We were battened down below decks; the watertight doors were shut, and I am free to admit that I was nervous. I was concerned about our chances if we were hit, and I asked the chief engineer, who was of course, Scotch, about this. He said to me, "My boy, the Germans are a sensible race; they know how much it costs to run this ship, and they know she is far more use to them afloat than sunk, so that there is no use in worrying". I suggest to the minister that he remember that when he is asked what it costs to run the navy.

There is a question I wish to ask with regard to our armed merchant cruisers. Is it the policy of the government to have a commodore with each convoy, and is that commodore a British or a Canadian officer? Do our armed merchant cruisers still go out with convoys? I know the *Jervis Bay* and other ships saw action at one time, but I should like to know if we have armed merchant cruisers in our navy. My next question may have to do with the Minister of Munitions and Supply. For some time I have been seeing a number of mine-sweepers in a Toronto shipbuilding yard; I know them by number, if not by name, because I have been passing them week after week. Why have these ships not reached tide-water? Is it on account of man-power? Why are they afloat but unfinished?

Mr. MACDONALD (Kingston City): It would be only in the last month that a ship could leave Toronto for tide-water, because of ice conditions in the river and lake and canal.

Mr. ADAMSON: They have been there since last October.

Mr. MACDONALD (Kingston City): Unless they were got out before the freeze-up they would have to stay all winter. It would not be on account of man-power, so far as we are concerned. There may be some question of machinery, and I shall find out about that. There is a commodore with every convoy, and so far as I know these are British officers. As to whether auxiliary cruisers and the like make up the escorts for convoys, I think that is a matter I would have to discuss privately with my hon. friend.

Mr. FULFORD: I wish to thank the minister for having named two Canadian warships after two towns in my constituency. Great honour has been paid to the towns of Gananoque and Brockville by making ships bearing those names an integral part of the Canadian navy. It would do the minister's heart good to see the way in which the people of these towns have constituted themselves foster parents of these ships and the spirit with which they have organized to see that comforts are sent periodically to the men. I should like to enlarge upon the statement made by the hon. member for Halton (Mr. Cleaver) in whch he referred to two men from the corvette *Oakville* having boarded a German submarine. As I stated previously, one of

these men came from Brockville, but I neglected to say that by now he probably wears the D.S.O.

Mr. BLACK (Cumberland): There is the greatest good-will toward the navy in Nova Scotia, as is evidenced by the comforts sent to the men of the navy by the ladies of the I.O.D.E. and other organizations. However, there is some criticism and misgiving about the time that some of these ships spend in port undergoing repairs or for other causes. When the *Cariboo* which ran between Nova Scotia and Newfoundland, and certain ore boats were sunk, many felt proper patrol had not been furnished. Yet navy vessels were tied up at the port of Halifax. I am not offering any criticism, but I think the minister should make a statement with regard to the cost of repairs and the time it takes to carry them out. The item we are now considering is for $167,571,202, and covers the upkeep of ships.

Mr. MACDONALD (Kingston City): It is impossible to keep a ship at sea for 365 days in the year, but there are people who think that should be done. Every time they see a ship at Halifax, Saint John or Sydney or in any other port they express surprise. It just cannot be done because ships must come in for a refit or repair, sometimes made necessary by enemy action, or sometimes by ordinary marine casualty. Instead of spending too much time in port, I think our men are being driven too much. Some have not been having the leave they should have. As my hon. friend knows, much of this repair work is carried on in private yards. A considerable strain has been placed upon these yards as well as upon our own dockyards. The skilled men are not available. When you enlarge an industry some twenty or thirty times, as we have the shipbuilding industry, you are bound to have a good deal of dilution; you will have many green men. The result is that repairs are not carried on as rapidly as they would be in peace time when experienced shipwrights were available everywhere. I can say, however, that so far as we are concerned we are hastening the repairs of ships just as much as possible. We are not allowing ships to remain in ports any longer than is absolutely necessary, and so far as I know no sinkings have occurred anywhere through any carelessness or complacency in these respects.

Mr. ISNOR: Does the hon. member refer to ships being repaired at H.M.C. dockyards or the Halifax shipyard?

Mr. BLACK (Cumberland): I made no special complaint about any particular yard.

I was referring to some misgivings that for some reason or another some of our ships have been in port when they should have been performing useful and necessary services in connection with convoy duties. Again I wish to point out that there is not the slightest reflection on the crews of these ships; there is the utmost good-will toward them on the part of people in the seaport towns of Nova Scotia, but I think it well to get an explanation and some reassurance from the minister that there is no cause for complaint in this regard.

Mr. ISNOR: I agree entirely with the thought expressed by the minister in regard to the time spent ashore by the crews of these ships. I was anxious to ascertain just what the hon. member for Cumberland had in mind in seeking this information, because I know that the workmen at both H.M.C. dockyard and the Halifax shipyard are working at top speed practically all the time. It must be borne in mind also that many of the ships of the Canadian navy are old, particularly those which were turned over to us by the United States.

Mr. MACDONALD (Kingston City): Twenty-five years old.

Mr. ISNOR: They range from twenty-five to thirty years old and require a great deal more attention than do the more modern ships. If I remember correctly, I believe it is estimated that they require something like thirty out of every ninety days for overhaul and general repair, which means that the average twenty-five-year old destroyer must spend one-third of the time in port being overhauled.

While I am on my feet I feel that as one member from the maritimes I should take exception to the attitude which has been exhibited by the hon. member for St. John-Albert. Like the minister, I was at a loss to follow the reasoning of the hon. member in his questions not only this evening but also a few days ago. He took exception to the amount of money being spent in the maritime provinces in construction, and in general to the expenditures in connection with the expansion of the Royal Canadian Navy. It may be true that in New Brunswick not as much has been spent as the hon. member would like, but on the other hand an exceptionally large amount has been spent in Nova Scotia. Any member from the maritimes, or any member who had an opportunity of visiting Nova Scotia in 1940 and viewing the work being done by the navy at H.M.C. dockyard, Halifax, would appreciate at once the common sense and reasonableness displayed by the officials of

the navy department in making those expenditures there. It is the natural gateway for outgoing and incoming ships, both Canadian and British. Any hon. member would appreciate the manner in which convoys are assembled in Halifax harbour and Bedford basin, that great sheet of water four miles wide by six miles long where the combined fleets can assemble and manoeuvre at any time, where convoys can be drawn up and taken out to sea.

I say it does not become any member from the maritimes to be critical in regard to the expenditures in that part of Canada, which certainly is doing its part not only so far as the army is concerned but also, and principally, so far as the navy is concerned. I know that in the early days the navy department could not accept all those from the fishing villages who wished to join up; they were postponed time and again. With regard to enlistments in the army, the percentage figure for Nova Scotia is something like 44·1 per cent as against 12 per cent or as low as 9 per cent for some of the other provinces. So also have we made an exceptionally fine showing in regard to enlistments in the navy. Therefore I say to the minister that we appreciate the money that has been spent in Nova Scotia, and I do not believe the people of the maritimes will accept with good grace the statement of the hon. member for St. John-Albert, in somewhat slighting terms, that perhaps the fact that three ministers of the cabinet came from Nova Scotia accounted for the large amount of money spent in that province. I say it is a credit to Nova Scotia to have in the cabinet three men such as the Minister of National Defence (Mr. Ralston), the Minister of Finance (Mr. Ilsley), and the Minister of National Defence for Naval Services (Mr. Macdonald). I think it is to the credit of any province that it can produce such men. Instead of criticizing the efforts of one particular minister from the maritimes, I think every maritime member should be ready to compliment the minister upon the excellent work he is doing for Canada.

If the hour were not so late, Mr. Chairman, I should like to offer one or two further observations. I do not know whether or not this item will be carried over until to-morrow, but perhaps I might proceed to present one or two criticisms or rather suggestions. Coming up on the train a short time ago, I talked with a number of ratings, who questioned the wisdom of the minister's statement with respect to the use of aircraft carriers in a navy such as ours. I do not wish to hold up the estimates, so that I shall proceed to enlarge upon this thought as quickly as possible; it is offered to the minister not as expert opinion but rather so that he might think it over. It is suggested that instead of an expenditure such as would be entailed in connection with an aircraft carrier, the money would be better invested in a cruiser or cruisers or in high-powered tribal-class destroyers, such as we are now adding to the navy. A craft more powerful and faster can carry out the duties which I believe rests with this country, namely, that of convoying and defending the ships which are carrying munitions and supplies and troops overseas. I could enlarge on that to a great extent, but the hour is late, and I shall reserve anything further until a later date. I thought, however, I should at least take my stand in support of the minister, who is doing his best. The people of Nova Scotia know he is doing his best to bring about the object for which we are all striving, namely that Canada may have a navy of which she may be justly proud.

Mr. HAZEN: The senior member for Halifax (Mr. Isnor) has just made reference to my remarks in the house on Tuesday afternoon or evening in connection with the discrimination shown against New Brunswick by this government, since the commencement of the war. He takes exception to my attitude.

Mr. ISNOR: General attitude.

Mr. HAZEN: My general attitude. He is at a loss to understand just why I should protest and why I should demand, on behalf of my province, that it get a fair share of war activities and war expenditures.

Mr. MacNICOL: You would be slow if you did not protest.

Mr. HAZEN: As a member representing a New Brunswick constituency I have the absolute right to protest. And I will add that so long as this discrimination continues I propose to rise in my place in the house on every available opportunity and protest against this obvious discrimination. In making my protest I do not have to cite any prejudiced or partisan authorities. The other evening I quoted a statement by the Hon. J. B. McNair, premier of New Brunswick and a supporter of this government. This is what he said on June 5 of last year:

> I am sure that the people of New Brunswick will persist in doing their bit. But the sooner however the tactics of discrimination and favouritism are abandoned, the better.

I concur absolutely in his remarks. The sooner the tactics of discrimination and favouritism are abandoned, the better. Thirty million dollars spent by the navy department

since the outbreak of war for the erection of buildings and the purchase of land in Nova Scotia; yes, thirty millions of dollars, in the province from which the Minister of National Defence for Naval Services and the Minister of Finance come! Of course there is no politics in that! Oh, no, we are all above anything like that! Nobody would think of anything like that in this house—Liberals on that side of the house, or Liberals in Nova Scotia! Nobody would think of anything like that! But just the same, thirty millions of dollars were spent in Nova Scotia, while during the same time in New Brunswick it spent just $19,000!

Am I justified in protesting about discrimination and unfairness of that kind? While New Brunswick is not quite as large as Nova Scotia, yet it is nearly as large, and in every way it has contributed its fair share to the furtherance of the war effort. Have I no right to protest when discrimination of that kind exists? I repeat what I said last night, that if Ripley, the cartoonist, whose drawings appear every day in the newspapers, were furnished with these figures, he would have material for another illuminating cartoon.

I do not wish to repeat everything I said the other night. The senior member from Halifax may be at a loss to understand my attitude. But let me tell him this—and he may take it to heart—that the people of New Brunswick will not be at a loss to understand my attitude, and the stand I have taken in this matter.

Mr. MACDONALD (Kingston City): And thereby hangs a tale.

Mr. HAZEN: Thereby hangs a tale, yes; and it will be more than a "tail" that will hang, I can tell you, at the next election.

Let me say to the senior member for Halifax that I do not envy Nova Scotia anything she gets, or anything to which she is justly and fairly entitled. At an earlier session I spoke on the floor of the house about the lack of assistance and the lack of contracts for war munitions and supplies awarded not only to New Brunswick, but to Nova Scotia as well. Time does not permit my looking up my remarks, or making reference to what I said on that occasion. But at that time I spoke not only for New Brunswick but for Nova Scotia. I was speaking for the maritime provinces. On that occasion I quoted from the Rowell-Sirois report the statement that New Brunswick shares with Nova Scotia the unhappy distinction of having the most unfavourable economic history of any part of Canada since confederation. The statement made by the commission at that time was, I believe, correct. It is only as the maritime provinces stand together and work in their own interests that conditions will ever be improved.

But, sir, that is one thing. It is another thing for me to rise in my place in the house and protest against the lack of capital assistance received by New Brunswick for war industries; the lack of assistance we have been given in other respects; the manner in which we have been disregarded in connection with the establishment of air fields, air establishments, military establishments and naval establishments since the war commenced.

I do not wish to read into the record what I said the other night. For the present I shall let the matter remain as it is.

There are one or two questions that I asked the minister which he has not yet answered.

Item stands.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

[Mr. Hazen.]

Friday, June 11, 1943

The house met at three o'clock.

AGRICULTURE COMMITTEE

Second report of standing committee on agriculture and colonization.—Mr. Weir.

POST-WAR RECONSTRUCTION

CREATION OF UNITED NATIONS RELIEF AND REHABILITATION AGENCY

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): I wish to direct the following question to the Prime Minister. A Canadian press dispatch under Washington dateline of June 10 states that:

> "The first step has been taken in the creation of a united nations relief and rehabilitation agency to feed, clothe, shelter and guide back to health the people of war-ravished nations as they are redeemed from axis domination," the United States State Department announced to-day.

The dispatch goes on to say:

> A draft agreement, providing for machinery to carry out this objective has been approved by Great Britain, United States, Russia and China.

Will the Prime Minister indicate to the house the role which this nation will play in connection with this new development? I should be glad if the Prime Minister would also comment on the report current in Washington that in view of our enormous

agricultural resources the chairmanship of the supplies committee of this agency may go to Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say to my hon. friend that the announcement which he has just quoted as appearing in a Canadian press dispatch of dateline June 10 is correct, namely, that—

> The first step has been taken in the creation of a united nations relief and rehabilitation agency to feed, clothe, shelter and guide back to health the people of war-ravaged nations as they are redeemed from axis domination.

The next statement of the dispatch, to the effect that a draft agreement providing for machinery to carry out this objective has been approved by Great Britain, the United States, Russia and China, is also correct. The proposals at the present time are simply in draft form, but I hope to be able some day next week to lay them on the table as they are finally approved.

Mr. GRAYDON: Has the draft proposal been submitted to Canada?

Mr. MACKENZIE KING: Oh, yes. The proposals will be finally tabled next week. As to the role which Canada will play in connection with this new development, I may say that Canada is prepared to play her full part. As to commenting upon the report current, to the effect that the chairmanship of the supplies committee of this agency may go to Canada, I should prefer to say nothing about that at present. Later I may have something to say.

FOOD CONFERENCE

INQUIRY AS TO APPOINTMENT OF INTERIM COMMITTEE—CANADIAN REPRESENTATION

Mr. M. J. COLDWELL (Rosetown Biggar): I was going to ask the Prime Minister a question supplementary to the one asked by the leader of the opposition, in regard to the recent food conference. Has an interim committee been appointed? If so, is Canada represented on that committee and, in that event, by whom?

Mr. MACKENZIE KING: Speaking of the food conference, my hon. friend means the conference that met at Hot Springs?

Mr. COLDWELL: Yes.

Mr. MACKENZIE KING: I have said that I hoped to be able to make a full statement to the house this week with respect to the conference. I am ready to do so, but the report itself has not yet been translated into French. I am therefore going to ask the house to allow me to table the documents on Monday and to make a full statement with regard to the conference at that time.

BUSINESS OF THE HOUSE

PROCEDURE IN DISCUSSION OF WAR APPROPRIATION BILL

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): May I say that I had a further reason for not desiring to make to-day the statement on the food conference. It would I believe suit the convenience of hon. members if the Minister of Munitions and Supply (Mr. Howe) were to be allowed right of way, at this afternoon's session, to present his statement under the war appropriation measure. The Minister of Munitions and Supply was to have followed immediately after the Minister of National Defence for Naval Services, but I understand the latter is quite prepared to delay if the house is agreeable to making way for the Minister of Munitions and Supply to proceed with his statement. The statement would then be on *Hansard* and hon. members would have an opportunity to study it in detail and with care between now and Monday. I have had an informal conference with the leaders of the different groups and I understand that they are agreeable to having this done. If so, the minister's statement might be made the first order to-day.

Mr. GRAYDON: It would be understood of course that the Minister of Munitions and Supply would simply close his part of the debate at the end of his statement, and then we would go on with the Minister of National Defence for Naval Services, and when he is through—I am optimistic about this—we would go on with the order mentioned by the acting leader of the government last night, namely, supply.

Mr. MACKENZIE KING: The house would have the choice between going on with supply in agriculture or going on with the Minister of Munitions and Supply, as it might prefer.

Mr. GRAYDON: If the choice I suggest were made we would be agreeable to the Minister of Munitions and Supply going on when the war appropriaton bill is called. If we are to make a change of the kind the Prime Minister mentions we would ask the Minister of Munitions and Supply to leave his statement until such time as the Minister of National Defence for Naval Services is through.

Mr. MACKENZIE KING: After the Minister of National Defence for Naval Services is through, we will go on with either agriculture or the Minister of Munitions and Supply.

Mr. GRAYDON: That is not my understanding of any informal arrangement made. We are not agreeable to that, and I want to make it clear.

Mr. MACKENZIE KING: What I was saying was that my hon. friend could have his choice. He has made agriculture his choice, and certainly we will go on with agriculture.

Mr. GRAYDON: May I say how pleased I am that the Prime Minister has accepted my choice on this occasion.

RADIO BROADCASTING

VACANCY ON BOARD OF GOVERNORS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I ask the Prime Minister when the house may expect an announcement on the filling of the present vacancy on the board of governors of the Canadian Broadcasting Corporation.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Very soon, I hope. The vacancy has existed, I believe, only about a fortnight and it will be filled within that length of time.

Mr. GRAYDON: In that regard may I suggest on this occasion, as I have urged on previous occasions, that organized agriculture be taken into consideration when the appointment is being made, because we really need a representative of the farmers on that board.

Mr. MACKENZIE KING: Yes. The late Mr. Nathanson, who was on the board, represented business which is also entitled to representation on the board. That circumstance may have to be considered as well as the question of additional representation of agriculture, to which reference has been made before.

Mr. GRAYDON: Of course, the situation with respect to agriculture is an old problem on the board. It has been referred to on previous occasions.

CANADIAN ARMY

REFERENCE IN "GLOBE AND MAIL" TO ARRANGEMENTS WITH RESPECT TO PRIZE FIGHTING

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I direct a question to the parliamentary assistant of the Minister of National Defence. The minister unfortunately is not able to be here to-day, but I have placed in the hands of his parliamentary assistant certain press clippings from the sports page of the Toronto *Globe and Mail.*

Some hon. MEMBERS: Oh, oh.

Mr. GRAYDON: I can tell that this is a page which is read very generally. From these clippings the parliamentary assistant will see that the well-known sports columnist, Jim Coleman, makes certain serious allegations respecting the arrangements made by the Canadian army in connection with prize fighting. I note that Lieutenant-Colonel A. G. White, adjutant of the Montreal military district, has made a reply to Mr. Coleman, but I think the controversy merits an investigation by the minister, and I would ask him, after making inquiries, to give a statement to the house covering the points which have been so raised.

Mr. W. C. MACDONALD (Parliamentary Assistant to the Minister of National Defence): The press clippings to which the leader of the opposition has referred reached me this afternoon. I had no previous knowledge of the matters referred to in the clippings. However, I shall be very glad to make inquiries and give the house a statement.

Mr. GRAYDON: The allegations are pretty serious.

Mr. CRERAR: Are they correct?

Mr. GRAYDON: That is what I want to find out.

ARGENTINE REPUBLIC

QUESTION AS TO RECOGNITION OF THE NEW GOVERNMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): The leader of the opposition (Mr. Graydon) asked me about recognition of the new government of Argentina. My hon. friend will no doubt be interested to know that, acting on instructions, the Canadian minister in Buenos Aires established official relations with the Ramirez government to-day.

MAN-POWER

PRIORITY RATINGS FOR INDUSTRIES

On the orders of the day:

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, on Wednesday last

as recorded on page 3467 of *Hansard*, the hon. member for Danforth inquired about labour priorities. I would like to make the following answer. Labour priorities are established for all industries in the priorities division of the labour supply branch, Department of Labour, by the interdepartmental labour priorities committee, consisting of representatives of the wartime prices and trade board, Department of Munitions and Supply and selective service. The priority assigned to an industry is based on the relative essentiality of its normal production. Many firms normally producing relatively less essential goods change over to the production of war materials and must be assigned a priority rating in accordance with the assessment of the essentiality of their new activities.

Labour priorities are confidential and are not disclosed, even to the firms concerned. Firms may make application for special priority consideration through their wartime prices and trade board administrator, or directly to the priorities division of the Department of Labour. All applications and claims are investigated by the wartime prices and trade board and Department of Munitions and Supply representatives and, when justified, are presented to the interdepartmental labour priorities committee for their consideration.

Mr. GRAYDON: May I ask the minister why these are so confidential?

Mr. MITCHELL: Because the relative importance of industries may change from day to day. That is the reason. I think my hon. friend will agree that it is just as well that it should be kept confidential. That is the considered judgment of all the agencies that are concerned with the question of priorities for industrial operations.

Mr. GRAYDON: I can quite understand the minister's position. That is one side of the argument. The other is the possibility that observance of confidence in the matter might be carried to the point of abuse. I am not suggesting that this exists, but in any event the possibility of its arising is there.

Mr. MITCHELL: I can assure my hon. friend that if he has any knowledge of anything he thinks is abuse I shall be glad to hear of it, or from any other member of the house.

PRIVILEGE—MR. ROY

REFERENCE TO ARTICLE IN MONTREAL "DAILY STAR" OF JUNE 9, 1943

On the orders of the day:

Mr. J. SASSEVILLE ROY (Gaspé): Mr. Speaker, I rise to a question of privilege. A Montreal newspaper called the Montreal *Daily Star*, in its edition of June 9, published an editorial entitled "Opportunity for Service", which contains a vicious attack upon me and my constituents. The last part of the article reads as follows:

> The government plans a campaign to enforce "dim-out" regulations and to discourage careless talk and the circulation of sensational and inaccurate rumours many of which last year were repeated in the House of Commons itself by members of the affected constituencies.

They might just as well have mentioned my name, because everybody knows that the "affected constituency" is the one I have the honour to represent in this house. They speak of rumours which they say were repeated in the House of Commons. I believe that every Canadian citizen would have been much more happy to learn that those reports of sinkings in the St. Lawrence were merely rumours, but unfortunately they were true, and as a matter of fact they have been officially recognized by the proper authorities in this very House of Commons; so much so, that the government has decided to follow a new policy this year with respect to the protection of the St. Lawrence.

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order. The hon. gentleman is entitled to make a denial of statements made in the newspaper quoted, but he is not entitled to make another argument.

Mr. ROY: Mr. Speaker, I should at least like to quote further from the first part of this article, which is also wrong and very injurious to my constituents. It reads as follows:

> Premier King's announcement that a civilian defence system has been organized to guard the lower St. Lawrence against submarines represents a marked advance over the precautions taken last year, when the absence of civilian cooperation was in a measure responsible for the sinking of some ships. The population of that area are now being given an opportunity, which they will no doubt seize with alacrity, to share in their own defence.

That is a stupid statement, Mr. Speaker; it is utterly ridiculous. I wish to recall to the editor of this paper that our civilian population has never waited and will never wait to protect our country.

Some hon. MEMBERS: Order.

Mr. SPEAKER: Order. I understand that the hon. gentleman has concluded his remarks on the question of privilege.

PASSPORTS

INQUIRY AS TO DISTRIBUTION OF APPLICATION FORMS TO MEMBERS OF PARLIAMENT

On the orders of the day:

Mr. J. H. LECLERC (Shefford): Mr. Speaker, I wish to direct a question to the Prime Minister. I hold in my hand an application form for renewal of a passport. This came to me by chance. I tried to get a few copies of these application forms from the passport office because everybody knows it is absolutely necessary for members of parliament to have some of them on hand for the use of constituents who desire to renew their passports; but I was informed by the passport office that I could have none, and that they should be asked for direct by the applicant. Surely if this is done as a matter of economy, it is, as we say in French, *une économie de bout de chandelle*. If the government wants to economize, it could save much more by economizing on stationery, dispensing with the large envelopes that come to members of parliament with just a short letter inside.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I made a statement a few days ago in the house in which I indicated the reasons why the passport office thought it inadvisable to have the application forms distributed, and I need not repeat what I said at that time. I do not mind saying to my hon. friend, as I intended to say the other day, that while the passport office is making its rule rigid, it has from its point of view good reasons for so doing. I myself feel that possibly there might be a measure of concession made to members of parliament. The department's purpose is to effect economies and at the same time to maintain in the use of these forms a certain security which is regarded by our government and by the United States government as important. However, I am not sorry that my hon. friend has brought the matter up, and I shall have another discussion with the officials of the department about it. Even ministers themselves sometimes find it difficult to get things done in their own departments that they themselves might wish to do.

MADAME CHIANG KAI-SHEK

INQUIRY AS TO ARRANGEMENTS FOR PUBLIC APPEARANCE

On the orders of the day:

Mr. W. K. ESLING (Kootenay West): Mr. Speaker, in view of the great public interest taken in the coming visit of Madame Chiang Kai-shek and the many appeals to members of the house as to the prospects of hearing her, I wonder whether the Prime Minister would not consider arranging for her public appearance in front of the parliament buildings or elsewhere so that the wishes of the public might be gratified.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I may assure my hon. friend that my colleagues and I have appreciated the great public interest there will be in Madame Chiang Kai-shek's appearance in the capital next week. I have personally taken up with Madame Chiang Kai-shek what she might find it possible to do in the way of speaking before hon. members of the house and over the radio, and have since taken up the question whether it would be possible for her to speak outdoors. Madame Chiang Kai-shek herself would prefer to speak indoors, and also to make just one address. In order that the largest possible number of persons may have the advantage of hearing that address we have reached the conclusion that while it would be well to have the address delivered in this chamber, where all hon. members of this house and members of the senate could be conveniently accommodated, and others in the galleries in so far as that can be arranged on the basis of the official list, the address should be broadcast so that it may be heard in all parts of Canada. To permit of the address being broadcast—and not raising at this time the question whether broadcasts should be made from the house during its regular sittings—as well as for other reasons it has been thought desirable to have the broadcast made at 11 o'clock in the morning of Wednesday of next week. That will be the arrangement with regard to the address. I am sure that arrangements can be made for having loud speakers on parliament hill, and I have no doubt that if the citizens are gathered there Madame Chiang Kai-shek will be only too happy to make an appearance before them, but I am quite sure she would wish to be spared having to deliver a second address.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Thursday, June 10, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

MUNITIONS AND SUPPLY

Hon. C. D. HOWE (Minister of Munitions and Supply): Mr. Chairman, the estimates of the Department of Munitions and Supply for the current fiscal year total $166,300,000, as compared with the estimates for the last fiscal year, which totalled $698,090,106.01. This is a sharp reduction, but I would point out to hon. members that the size of the estimate for the department has no relation to the sum of money to be expended by the department, which for the current fiscal year will amount to something in the order of $3,400,000,000. The department is the procurement agency for the armed services and for all allied governments, and the funds to cover these purchases are furnished by those from whom requisitions are received. The items taken care of by the departmental vote cover additions and extensions to plants; payment for cargo vessels which are purchased to be operated by the Canadian government; housing developments in connection with the munitions programme; revolving funds for working capital of crown companies, and departmental administration. The departmental appropriation has been broken down under eight separate headings, and with the consent of the house I shall place this break-down on *Hansard* as follows:

Department of Munitions and Supply
Draft Estimates, 1942-43, 1943-44

	Actual expenditures preliminary 1942-43	Estimated expenditures 1943-44
1. Additions and extensions to plants	$361,853,661 59	$195,000,000 00
2. Cargo vessels—Operated by Park Steamship Ltd	15,522,500 00	45,000,000 00
3. Housing development	30,725,643 49	30,000,000 00
4. Land and other miscellaneous physical property	3,856,920 07	7,000,000 00
5. Revolving funds for working capital—		
Munitions production	100,000,000 00	....
Aircraft production	25,000,000 00	....
Ship production	100,000,000 00	....
Miscellaneous stores	20,000,000 00	....
6. General production and warehousing expenses	14,300,408 74	15,000,000 00
7. Loans to commodity companies	17,334,584 94	15,000,000 00
8. Departmental administration	9,496,387 18	9,300,000 00
	$698,090,106 01	$316,300,000 00
Less—Estimated reduction in revolving funds		150,000,000 00
		$166,300,000 00

The Minister of Munitions and Supply also administers the air services branch of the Department of Transport, and the war estimates of that department total $6,095,085. These have been broken down under two items, and with the consent of the committee I shall place the breakdown of this amount on *Hansard* as follows:—

Air Services Branch (Department of Transport) War Expenditures and Estimates

	Expended 1942-43	Estimated 1943-44
9. Air Services:		
To provide for special radio services, weather observation and teletype services—		
Radio	$1,093,981 94	$1,761,325 00
Meteorological	812,254 56	1,366,000 00
17 Additional radio range stations (maintenance): new division office at Vancouver; additional staff at headquarters	....	374,460 00*
Subsidization of radio-operator students	....	100,000 00*
10. Civil Aviation:		
Extra airport traffic control systems	184,047 30	680,000 00
Operation and maintenance of municipal (terminal) airports	276,093 30	336,600 00
Additional facilities—Moncton to Newfoundland airline	418,344 85	976,700 00
Improvements to North Bay airport	343,339 04	....
Operation and maintenance—North-West air route	60,992 91	....
Montreal airport improvements	....	500,000 00*
	$3,189,053 90	$6,095,085 00

*Supplementary items 1943-44.

Over the past three and a half years I have made reports to the house from time to time on the production programme. These were reports of progress towards objectives yet to be attained. It will be recalled that there were always one or two items in the programme which were giving us trouble either because of difficulty of design, the need for elaborate tooling, or shortages of critical materials and components. I am now able to report that certain of our major objectives have been reached. Late in 1942 we were delivering in substantial quantities every item of war equipment for which we had received orders in the first two and a half years of the war. Every week we are launching six or more vessels, either escort, cargo or patrol. Every week we are turning out 80 planes. Every week our automobile factories produce 4,000 motor vehicles and 450 fighting vehicles. Every week our gun plants make 940 heavy guns or mountings, and our small arms plants turn out 13,000 smaller weapons. Every week our ammunition factories make 525,000 rounds of heavy ammunition and 25,000,000 rounds of small arms ammunition. Every week our chemicals and explosive industry has an output of 10,000 tons. Every week our factories produce $4,000,000 worth of instruments and communications equipment. We have launched 500 ships and delivered 8,000 aircraft. We have delivered 475,000 motor vehicles and 21,300 fighting vehicles. We have delivered 55,500 heavy guns or mountings and 630,000 small weapons. We have produced 800,000 tons of chemicals and explosives. We have produced instruments and communications equipment to the value of $160,000,000. These are some of the highlights of a programme which includes almost every type of equipment and supply needed in modern warfare. The total dollar value of our deliveries to date is over $4,500,000,000. We estimate employment in war industry at upwards of 900,000 men and women.

I mentioned a moment ago that certain of our targets had been attained. This does not mean that there will be any slackening of the over-all effort, but rather a change in emphasis. Some programmes will be reduced, others will be expanded. There are some rather drastic reductions in ground army stores on the one hand, but on the other greatly increased demands for naval vessels, guns and equipment, combat aircraft and radar equipment. Before receiving notice of changes in programme, our over-all production programme for the fiscal year 1943-44 totalled 3 billion, 653 million dollars. We are now able to estimate the revised programme at 3 billion, 425 million dollars, or a shrinkage of approximately 6 per cent. Of this shrinkage approximately 30 million dollars represents reductions in defence construction projects, leaving slightly less than 200 million dollars or a 5½ per cent net reduction in the production programme. Because we realized that changes in programme were inevitable in war production, we have maintained a high degree of flexibility in the planning of our production facilities, which now permits us to make the changes necessary with a minimum of inconvenience.

I will comment briefly now on each item of the programme, giving the accomplishment to date and indicating what changes will be made, either by way of reduction or expansion.

Ammunition. We have created a great ammunition industry in Canada. More than 38 million rounds of heavy ammunition have come from our factories. Complete filled rounds of this heavy ammunition are now produced at a rate of 525,000 rounds a week.

At the close of 1942 we were making 28 types of shells of 15 different calibres, ranging from the 40 millimeter quick-firing shell to the 7·2 howitzer. So far this year three types have gone out of production. Of the remaining 25 types, two will be increased in output, others will be produced at the current rate, and others will be reduced.

Some cuts in production will take place at once, but wherever possible any necessary reductions in the programme will be made over a period of months and should cause a minimum dislocation of manpower.

All told, there are nearly 50 plants engaged in making shells alone. There are scores of other plants producing components, including 12 types of fuses, 14 types of cartridge cases, two types of gaines, six kinds of primers, two types of depth charges, ten types of trench mortar bombs, pyrotechnics of 70 different kinds, as well as practice bombs, anti-tank mines, rifle grenades.

Components. As the output of shells declines, so the production of cartridge cases, fuses, primers and gaines will also be reduced. However, all of the cartridge case manufacturing capacity thus released will be diverted to making additional cartridge cases for the United States. Over-all production will decline. Some plants can be converted to the manufacture of other types of equipment, but this is not possible in every case.

Chemicals and Explosives. The vast Canadian chemicals and explosives production is supervised by Allied War Supplies Limited. This crown company has under its control 40

different projects, 34 of which have come into full operation. Of the 18 major projects on the list, three are mammoth ammunition-filling developments, three are making explosives, two are fuse-filling undertakings, and the others are chemicals producers. Total employment in these factories is in excess of 50,000 men and women.

The various Canadian chemicals and explosives projects under the administration of Allied War Supplies cover an area equal to that of the city of Montreal. The largest, are the shell-filling plants, but on one explosives project alone the capital expenditure runs to 18 million dollars.

Great Britain and the allied nations have relied heavily upon us for this production.

Our present production of chemicals and explosives is running at a rate of 10,000 tons a week. The total quantity turned out to date is in excess of 800,000 tons. One of these products is the most powerful explosive developed anywhere during the present war. The production of this valuable and secret explosive is being increased.

As our heavy ammunition programme recedes from its peak, due to decreased requirements, production of certain explosives and propellants will also be reduced.

Small arms ammunition. A tremendous production job has been accomplished in small arms ammunition. In 1940 we made only three types, to a value of 4½ million dollars. Now we are making 20 main types, ranging in calibre from ·22 to 20 mm., having a value of 23 million dollars for the four months from January 1 to the end of April of this year.

The 9 mm., bullet, used in the Sten carbine, can be cited as one example of a lowered target. The future objective has merely been lowered so that the present production figure will be tripled instead of quadrupled.

Much planning remains to be done before anything more definite can be said regarding revision of the small arms ammunition programme, because these changes must be made on the basis of advices received only a few days ago. In the meantime, we are turning out more than 25 million rounds a week in plants and arsenals employing 30,000 people, half of them women. The government arsenal at Quebec is the model on this continent for this type of production, both in efficiency of operation and quality and quantity of production.

Guns. In the production of heavy guns and small arms, we have achieved mass output on a constantly rising scale. Toward the end of 1942 our monthly ordnance output was greater than it had been for the entire 1941 year.

More than one-fifth of the total government investment in war plants has been allocated to the production of guns and small arms.

We are making twelve types of heavy ordnance, and 16 types of carriages and mountings, in Canadian shops. To date we have produced 55,500 guns, gun barrels or mountings. Our weekly production rate is now 940 units—570 guns and gun barrels and 370 mountings. Merchant ships and combat vessels made in Canadian yards can now be equipped with Canadian-made guns. Our field artillery, anti-aircraft guns, our tank and anti-tank guns are being shipped overseas for service on all fronts.

We are now engaged in revising some of our gun schedules downwards. The items most likely to be affected are the 3·7 and Bofors anti-aircraft guns and the 6-pounder anti-tank gun. The scheduled production of 3·7 and 40 mm. Bofors AA guns will carry on at a reduced scale to the end of 1944. The plant making the 6-pounder carriage is being converted to the manufacture of 20 mm. Universal mountings for the army and single 20 mm. mountings for the navy.

There are eight major plants and scores of subcontractors operating on small arms contract. Our output of small arms in 1942 increased 1,300 per cent over 1941. We have turned out 630,000 small arms to date and present production is at the rate of 13,000 units a week. These include rifles, carbines, anti-tank rifles, smoke dischargers, bomb throwers, two types of trench mortars, and four types of machine guns.

In line with the changing picture of our overall production programme, there will also be adjustments in the small arms schedule.

Maximum output of the Bren gun, 8,000 per month, will be reached this month and will be maintained at that rate until the end of 1944. Original schedule for the No. 4 army rifle, Canadian version of Lee-Enfield, which is being produced in the government-owned and operated plant, Small Arms Limited, was doubled during the past year, and our present output is now in excess of 34,000 a month. Production of this weapon will be increased to better than 40,000 a month.

Production of the Sten, which is now at peak, will be slightly reduced from the maximum planned—10,000 a month. Present orders on hand for Vickers, ·5-inch naval machine guns, training rifles, and 2-inch trench mortars are sufficient to carry us into 1944.

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Production of the Boys anti-tank rifle will be discontinued during the summer. We are also abandoning producing the Browning aircraft and tank type machine guns, having met requirements for both these weapons. This production will be partially replaced by the Browning pistol and a 20 mm. machine gun.

Naval Guns and Naval Orders. We are now producing four types of naval guns and ten types of naval mountings for use both on combat and merchant ships. While there will be some slight changes in this programme, the overall picture involves a substantial increase in output.

There will be a substantial increase, too, in the production of a wide variety of other naval equipment. For example, Canada is now producing in quantity 20 or more components of naval torpedoes. These include the engines, propellers, bodies, transmission gear, and gyroscopes. The output of all of these will be increased.

There will be larger output from the 168 firms now engaged in making the complicated and expensive components of anti-submarine detection devices, which Canada delivers complete to the navies of the united nations.

All told, Canada supplies 60 or more types of the most complicated instruments for naval purposes, on all of which we are increasing our production. These include equipment for arresting planes on carrier decks, secret gun sighting devices, and fire control instruments costing up to $30,000 each.

Canada makes the fire control clocks and other instruments for the navy which determine the range, elevate the gun, calculate both the distance to the target and its movement, the wind deflection of the bullet, and finally fire the gun at the correct instant.

There are no higher manufacturing standards in the world than those demanded by the navy. Canadian manufacturers have met those standards with conspicuous success.

Many British warships being repaired and re-equipped in Canadian and United States ports are being supplied with these Canadian-made guns, mountings, anti-submarine detection equipment and instruments.

Motorized Equipment. One of the most important contributions Canadian industry has made to the war is our output of fighting vehicles and motor transport. It is generally agreed that a major factor in the victories of the British armies in Africa was the quality and reliability of the motorized equipment they had at their disposal in the Egyptian, Libyan and Tunisian campaigns. More than 36 per cent of the motorized equipment throughout the entire middle east if of Canadian make. Fifty per cent of the load-carrying vehicles used by Montgomery's victorious Eighth Army were Canadian made.

Soon, very soon, the 500,000th motor vehicle will roll from the assembly line of one of our automobile plants. We are turning out these military vehicles, as distinguished from fighting units, in more than 100 different types at a rate of 4,000 a week. Our present production of fighting vehicles, including tanks, runs to 450 a week, for a present total of more than 24,000 units.

So highly are our Canadian-made military vehicles rated that this programme of ground equipment production is to be continued at its present peak capacity.

Through our army engineering design branch, constant changes and improvements have been effected in the motorized transport and fighting vehicles made in Canada. Our designers have achieved remarkable results in improving the quality, performance, and utility of mechanized units. The Canadian "dry pin track" for instance, has just been approved for production. Developed by our own design branch, it is a tank track which not only gives better performance than any other type in use to-day, but can be made more economically than any other. The lessons learned in active theatres of war are being steadily applied. The motorized units we are sending overseas to-day are more serviceable, better built, and more economically manufactured than the units of a year ago. New models are constantly going into production.

Tanks. We have just completed our Valentine tank programme. The total production—1,400—has gone to Russia. Recalling our difficulties in the early stages of this programme, I am able to say that the last tank was delivered exactly on shedule. The plant has been converted to the production of engines and components for the escort vessel programme. We are approaching the end of our contract for Ram tanks. Over 1,700 have been produced. Our tank arsenal is now producing self-propelling gun mounts, and will shortly go into production on the M-4 tank. This type is now standard for the United States, British and Canadian armies.

Instruments and Communications. In the field of instruments and communications we have made remarkable progress. We have produced intricate instruments to the extent of $160 million and the 1943 production will reach the $250 million mark. They are now being produced at a rate of $4·3 million a week.

Three new industries have been developed in Canada to meet the demands of the radio industry, the output of which has expanded sixteenfold since the beginning of the war. They are a dynamotor industry, a ceramic insulation industry, and a crystal industry.

We have become a major source of united nations supply in this field. Canadian invention is responsible for seven major developments in the production of signals equipment. Ranging from a "talkie-walkie" set which one man can operate as easily as a cradle phone, to a super-highpower field wireless station with a radius of more than 100 miles. These products of original Canadian design have so impressed our allies that large orders have been placed in Canada for tens of millions of dollars worth of this equipment.

All the communication devices for Canadian tanks, ships, planes, and motorized vehicles are being produced in volume in this country. These are the artificial eyes and ears of our armed forces. Optical instruments by the tens of thousands have been produced to date by Research Enterprises Limited, a government-owned company producing a great variety of intricate equipment such as prismatic gunsights, clinometers, periscopes, range-finders, dial sights and cathode tubes. This company, which employs 6,800 people, is working on orders for radio and optical equipment totalling more than 130 million dollars.

Aircraft. To date Canada has produced 8,000 planes. Aircraft are now coming from our factories at the rate of 80 a week in nine types. We are now passing through an intermediate stage, entering production of new trainer types and just achieving production of combat planes such as the Lancaster and Mosquito, which presented very special and difficult production problems. The low production point arising from the change in models has now been passed. Production figures will steadily increase. While we have had ups and downs in our monthly planned production, actually the total poundage of planes produced has steadily mounted since the middle of 1940, when we were producing only two planes a week.

The four types of trainer craft upon which the industry is now engaged are the Fairchild Cornell, an elementary trainer; the North American Harvard, a single-engined advanced trainer; the Canadian Anson, regarded as the best twin-engined advanced trainer in the world, which is being produced under the supervision of the government-owned company, Federal Aircraft Limited, and the Bristol Bolingbroke, a twin-engined reconnaissance bomber and gunnery trainer.

The service types are the PBY-5A Catalina, a coastal reconnaissance amphibian; the Lancaster, mightiest four-engined long-range bomber in the world, being produced in the government-owned and operated plant Victory Aircraft Limited; the Curtiss Helldiver, navy dive bomber, and the famous Mosquito, fast twin-engined fighter bomber. In addition to these, we are also producing the Noorduyn Norseman, the only all-Canadian designed plane on the list, regarded as the best single-engined all-round transport type plane yet designed.

Two of the planes I have mentioned have yet to come into production. Design modifications have held up the dive bomber programme, but these have now been cleared, and the first Lancaster, biggest and most ambitious job ever undertaken by the Canadian aircraft industry, is expected to be test-flown within a few weeks.

The Canadian aircraft industry, and plants in component manufacture, now employ more than 100,000 workers. More than 25 per cent of these employees are women. Because we are increasing our production, the aircraft industry will in future be able to absorb all workers, not required by the armed services and in high priority shipbuilding, who were hitherto employed on those programmes which are to be curtailed.

In addition to the production of new aircraft, Canada has established an aircraft overhaul industry to service the thousands of planes now operating in the dominion. Thirty special plants are located strategically across the dominion, to make regular engine overhauls, to take care of airframe reconditioning, and to rebuild damaged planes. These plants recondition and replace into service 200 planes and 800 engines every month.

In any assessment of our aircraft record, two points are basic; first, every single plane we are building today is the accepted leader in its class; and, second, the quality of workmanship and the methods employed in the manufacture of Canadian planes are unexcelled.

Cargo Ship Building. During the twenty years before the outbreak of this war, Canada built not one seagoing merchant ship. Our present record in shipbuilding, therefore, is all the more remarkable in that it represents the achievement of what is virtually a new major industry.

Last month we launched 19 cargo vessels from Canadian yards.

By the end of May we had achieved a total of 168 freighters launched under our cargo vessel programme. Of these, 141 had been

delivered by the end of May. All but four of these are 10,000 ton vessels. The others are 4,700 tonners.

Roughly one-half of our overall commitments for shipbuilding in Canada, which total one billion dollars, will be spent on cargo ship construction.

Freighters delivered, under construction, or on order, total more than 300, of which 90 per cent are 10,000 ton ships.

The 43,000 workers in the 12 Canadian yards engaged in this cargo boat programme have every reason to be proud of their contribution to the war effort. Recently the Burrard Dry Dock Company set a record by delivering the *Fort Wedderburne* in 89 days from the laying of the keel. At West Coast Ship Builders a ship has been launched forty-five days after the laying of the keel.

Our cargo shipbuilding programme is now at its peak. It will be maintained there. The entire programme is administered by Wartime Merchant Shipping Limited, one of the largest of our crown companies.

Practically all the shipbuilding at present being carried on by the united nations is designed to meet immediate war requirements. For this purpose the British shipping authorities developed a type of cargo ship known as the North Sands. This type was chosen because the components were suited to mass production by engineering shops and foundries not heretofore accustomed to serving shipbuilding, and the ship itself is suitable for construction in all types of shipyards, including new shipyards built and equipped hurriedly. The engine and boilers are of rugged construction, simplified for operation by a person of limited experience and easy to repair and maintain in all ports of the world.

The ship is suitable for carrying all types of cargo; general merchandise, crated motor vehicles, bulk grains, coal, ore, lumber, or munitions of all types, ranging up to the heaviest of guns and tanks.

This type, under the name of the Liberty ship, was also adopted by the United States Maritime Commission for their greatly expanded cargo shipbuilding programme; modified somewhat to suit their mass production methods. It constitutes an overwhelming proportion of the present vast American monthly ship output.

It should be clearly understood that the ship built in the United Kingdom and Canada under the name of North Sands ship is from the standpoint of hull design and horsepower exactly the same ship as is built in the United States under the name of Liberty ship. Consequently the rated speed of the American Liberty and the Canadian and British North Sands is exactly the same, namely 11 knots. Our Canadian ships have exceeded 14 knots on their trials, without load, in smooth water and have averaged a speed of over 11 knots on a return voyage loaded between British Columbia and New Zealand.

This ship under service conditions is up to convoy speed. Increasing its speed would involve increasing the power plant by the cube of the increase in speed. To drive this ship at 11 knots requires 2,500 horse-power to drive it at 18 knots would require over 11,000 horse-power, in addition to which the ship itself must be redesigned. Any effective increase in speed gained by such a proportionately tremendous increase in power would involve building and tooling new plants for components manufacture, which could only be done after high expenditure and great delay. During the period of change-over less ship tonnage would be produced, at a time when ships of the type now being built are most urgently needed for war purposes. From the Canadian standpoint the building of faster ships is a post-war rather than a present-day war problem, for which the necessary advice is now being secured from the best sources.

A certain number of the North Sands type of ship were built as oil burners, with certain changes in design and equipment of a strictly operational nature. These have been named Victory ships, both here and in the United States.

Based upon our experience in building the North Sands ships and the Victory ships, the necessary arrangements are now being made to build next year an improved design of cargo ship to be known as the Modified North Sands ship, one of the characteristics of which will be its adaptability for either coal or fuel oil, which, under war or post-war conditions, will give the ship much greater operating flexibility.

Canadian export trade in peace-time consists chiefly of bulk cargoes of agricultural, forest, or mineral products. The 11-knot ship now being built will carry these cargoes at a lower ton mile cost than any faster ship which would necessarily cost much more to build, operate and maintain.

We are also building a limited number of 4,700-ton ships, of a design adopted by the British authorities for general and bulk cargo carrying to ports where the volume of trade is not large and the water is more shallow. These ships, which were originally designed for British operation, are now being modified to meet Canadian operating conditions. They are most suitable for Canadian coastwise trade and also to supply Labrador, Newfoundland and the West Indies.

Naval shipbuilding. We are not only building cargo vessels to carry our munitions and war materials abroad. We are building the vessels to escort and protect them.

To date we have placed contracts for 424 frigates, corvettes and steel minesweepers—these are our escort craft. By the end of this month we shall have launched a total of 221 of these vessels.

During May, we launched a total of 17 escort craft.

In addition to the steel vessel programme, we have placed orders for 178 wooden patrol ships and wooden minesweepers. Of these, 100 were in the water by the end of May.

We are also building two destroyers of the Tribal class.

Eleven yards are engaged on the construction of escort vessels, including the government-owned yard Toronto Shipbuilding Limited. Of these the largest type is the frigate of which 18 have already been launched. These ships, more than 300 feet in length, are bigger, faster and more heavily armed than corvettes.

Our entire naval shipbuilding programme is being expanded and expedited.

There are some 65 smaller boatbuilders with about 4,000 employees turning out a wide variety of small craft ranging from lifeboats to the smaller patrol boats. Of the 4,000 boats ordered from these yards, about 75 per cent have been delivered. Expenditure on this small craft programme now totals more than 16 million dollars. In addition, several eastern yards are engaged in ship repair and overhaul work of vital importance to maintaining the Atlantic lifeline.

In addition to the 21 major shipyards engaged on cargo and naval shipbuilding, there are well over 300 Canadian component manufacturers on the shipbuilding programme, supplying the countless requirements of the industry, from rivets, to ship plate, from navigation instruments to engines and boilers.

Destinations. About thirty per cent of all Canadian war production is delivered direct to the Canadian forces at home and abroad. The remainder goes to Britain, the United States, India, Africa, China, Australia, New Zealand and the South Pacific.

Arms sent to China include Canadian 25-pounder guns, Bren and Boys guns, rifles and ammunition for these weapons. We expect to ship many additional types of equipment, now that the mutual aid board is operating.

Canada has sent Russia more than 1,400 Canadian tanks, more than 2,000 Canadian universal carriers, Canadian naval guns, and Canadian Bren guns and anti-tank rifles. We have provided the Russians, too, with ammunition for heavy guns and small arms.

In addition, to Russia have gone machine tools, boots, gloves, textiles, clothing and personal equipment. To this great and successful ally have gone large shipments of the five metals most urgently required for the Russian war programme.

To the United States Canada has been shipping war materials such as components of various munitions, ammunition, secret electrical devices and of course base metals. These transactions are handled by a government company, War Supplies Limited.

More than 80 per cent of the Canadian output of automotive transport has gone to Britain, Egypt, India, the middle east, the near east, the far east, Australia and New Zealand. To the empire, Africa, Australia and New Zealand have gone armoured cars, guns, heavy ammunitions, small arms, anti-aircraft guns, bombs, anti-tank mines and small arms ammunition.

We have begun the manufacture of 145 military locomotives for the government of India.

Canadian-made rifles are in use in Africa, Iraq, New Zealand, Australia, India and many other places. Canadian-made aircraft have long been in combat service and Canadian machine guns have been blasting German, Italian and Japanese planes from the skies on all fronts.

Other equipment shipped throughout the world includes heavy ammunition, bomb throwers, Sten guns, universal carriers, parachutes and flare chutes, artillery, tank and anti-tank guns, and a long list of instruments.

General Purchases. Our general purchasing branch handling most of the supplies required by our army, navy and air force, constitutes the biggest single market for hundreds of Canadian manufacturing plants. Orders placed by the division now total two and a half billion dollars. Its purchases range from pins to locomotives, from canned milk to fire fighting vehicles. It involves the buying of battle dress—50,000 dress a week and 5 million pairs of footwear a year—the purchase of food, medical supplies, lumber, fuels, machinery, electrical equipment, and miscellaneous stores. It also buys raw materials for the finished products. Last year more than $1¼ million was saved by the purchase of raw cotton to supply textile mills working on orders for the department. And now this branch has taken on the huge job, by arrangement with United States authorities, of purchasing the food required to feed

thousands of men working on the Alaska highway. There has been set up recently in Edmonton a crown company, North West Purchasing Limited, which will handle all purchases in Canada for the Alcan and Canol projects and for the various military operations in the Yukon and Alaska.

Construction. To date contracts for the construction of defence projects total 340 million dollars and commitments for new industrial productive facilities approximate $850 million.

In the construction field, the war peak rate of building was reached in the spring of 1942.

Air Services Branch (Department of Transport). The air services branch, comprising the civil aviation division, the meteorological division and the radio division, is responsible for the construction of all aerodromes and ancillary services in Canada, Newfoundland and Labrador which are required for home defence and for the British commonwealth air training plan. To date, the branch has spent over $100,000,000 on 286 projects, including the construction of 146 new aerodromes and extensive improvements to 51 others. In carrying out these projects, we have established some remarkable construction records thanks to the efficiency and enterprise of the Canadian construction industry which has displayed characteristic ingenuity in coping with difficult problems of climate and terrain.

The establishment of a very extensive network of operational and training fields has required a corresponding increase in meteorological and radio services. In addition to weather forecasting for our passenger airway services, the meteorological division is providing the weather data for the R.A.F. ferry service across the Atlantic and the T.C.A. service between Canada and Newfoundland. It is also forecasting for the R.C.A.F. and naval units operating off the Atlantic and Newfoundland coasts, as well as the air patrols on the Pacific coast north to the Alaska boundary. These responsibilities have meant a considerable increase in personnel in operating centres and the construction of new weather observation stations in many remote and isolated locations. We are now setting up radiosonde stations in various parts of the country for the purpose of recording weather conditions in the stratosphere for long range forecasting.

Since the outbreak of war 14 radio range and communication stations have been built and equipped by the radio division for the Department of National Defence for Air. Seven radio stations are nearing completion and we are planning the construction of 16 additional stations in the current year. The radio division is also collaborating closely with the Department of National Defence for Naval Services. Radio stations of the division along the east and west coasts and Hudson bay and Hudson strait and in the Canadian Arctic are now serving the navy. These stations form an important link in the aircraft detection programme and are, of course, of great value to the naval authorities in facilitating ship movements.

We have been successful in coordinating the Canadian radio services with the United States services, so that we are approaching the time when one single system of radio aids to navigation in the air and on the sea will service the north American continent.

Crown companies. Park Steamship Company Limited: Up to the present time 12 vessels of 10,000 tons deadweight; 5 vessels of 4,700 tons deadweight and one tanker have been delivered to the company. The first vessel was received from the builders on the 30th June, 1942, and the last (of the within stated number) on the 1st June, 1943. These vessels, through managerial agreements, have been turned over for management and operation to reputable steamship firms and placed in trade designated by the Canadian shipping board. Managing operators are directly responsible to the company in respect to the care of the vessels and the financial results obtained from the voyages made, and close supervision is given thereto by the company. By the close of the year 1943 it is expected the company will have at least 30 dry cargo vessels of 10,000 tons deadweight; 8 vessels of 4,700 tons deadweight and 10 tankers—all of these steamers to be handled in the foregoing manner.

In addition to the ships I have mentioned, 30 ships of the 10,000-ton class have been delivered to the company to be chartered to the Ministry of War Transport of the United Kingdom on a bare boat basis. The United Kingdom is able to furnish crews for these boats whereas Canada cannot do so at this time.

Every effort is being made to obtain the maximum number of crews for the purpose of operating as many ships as possible by Park Steamship Company, and in that connection the company works closely with the director of merchant seamen, Department of Transport. During the war period the size of the Park Steamship Company fleet will be limited only by the number of Canadian crews that can be obtained. After the war,

the ships now being chartered to the United Kingdom will be returned to Canada and will then be added to our Canadian merchant fleet.

Defence Communications Limited. This company was established a few months ago. It will coordinate existing telegraph and telephone services, and provide new communication services for the armed forces.

Fairmont Company Limited. This government company is continuing its work of purchasing, storing and selling rubber for use of Canadian war industry.

Melbourne Merchandising Limited. This company is purchasing in bulk and distributing the wool required for use in war contracts.

Citadel Merchandising Company Limited. This company which was set up to fill the machine tool requirements of war industry has done an outstanding job. It has provided from Canadian and United States sources 32,822 machine tools to an approximate value of $170,730,000.

Plateau Company Limited. This company continues its work of purchasing, storing and selling silk, cotton, nylon, and kapok for the use of the production programme.

Cutting Tools and Gauges Limited. It is the function of this company to procure the cutting tools and gauges required for the munitions programme.

Wartime Housing Limited. Besides plant construction, the department, through the crown company, Wartime Housing Limited, has engaged in a housing programme in connection with war industries. These activities have ranged from the provision of additional housing in heavily populated industrial areas to the development of entire new communities.

Wartime Housing Limited has proved to be a vital link in Canada's long-range war production programme. It is the largest housing agency Canada has ever known. To the end of April it had, completed, under construction, or pending, a programme involving an expenditure of more than $75 million and providing accommodation for more than 90,000 people.

This programme includes 16,377 houses, 11 hostels, 63 staff houses, 13 bunk houses, 16 dining halls, 14 schools and 18 special buildings. With houses built in scores of communities from Halifax to Prince Rupert, the home building programme is standardized to four- and six-room types of insulated houses which are generally rented, subject to regional conditions, at $22 and $25 a month for four-room bungalows and $30 a month for six-room dwellings. The houses are demountable, and were designed purposely for removal or salvage. The gross income from projects already occupied or under construction will amount to more than $8 million a year.

Wartime Industries Control Board. The appointment of controllers to increase and conserve supplies of strategic materials has been subject to some criticism in this house and elsewhere. It is claimed that the system violates the principle of ministerial responsibility. I think I should tell the house that controllers are subject to the direction of the minister in all that they do. Their orders are issued with his full knowledge and concurrence. If we had not taken immediate steps to increase and conserve our supplies of strategic materials through curtailment, rationing and other means, it is quite certain that we should not have achieved the record of production which I have just outlined. The only possible alternative to curtailment and rationing was to take what we needed for war and essential industries, and let the public scramble for the rest. If we had followed this procedure, I am quite sure that we would now be criticized for not having taken steps to ensure the orderly distribution of materials which were in short supply. Admittedly, curtailment and rationing measures always contain an element of experiment. Inequities in distribution can only be discovered through trial. Where we have found such inequities, we have taken the necessary corrective steps. At the present time I believe our various curtailment and rationing programmes are accomplishing the main objective—the allocation of materials where they are needed most—with a minimum of hardship to the public.

Coal. Coal is one of our most pressing supply problems. Consumption has increased by more than 45 per cent since the war began. In 1939 we used 28,500,000 short tons; last year 41,500,000 short tons, and in the current year we expect to use 47,250,000 short tons. Since the 1938-1939 coal year Canadian production has increased, but to an extent much smaller than the proportionate increase in total consumption. The result is that we have relied to an increasing extent on imports from the United States. Since the war began our imports from the United States have nearly doubled. As requirements in the United States are also increasing, it is impossible to forecast with any degree of certainty what quantity of coal we can import from the United States in the current year. So far this year our United States imports have been lower by more than half a million tons than those of last year. All of this means that Canada faces a possible shortage of 4,000,000 short tons during the current year. We can

only meet this shortage by increasing Canadian production and by rigorous conservation of existing supplies.

An announcement was made some days ago of a state of national emergency in coal production. It is planned to return to coal mines every man in civilian industry who has worked previously in this highly skilled occupation. Men in the armed forces who wish to go back to the mines will be given every assistance to do so, consistent with military policy. No coal miner will be drafted or permitted to enlist in the armed services or allowed to change his occupation without permission of national selective service. We hope that these measures will increase man-power in coal mines to the point where the estimated production will be increased by 3,000,000 short tons. I appeal to all those who are working in our coal mines to do their utmost to help us obtain increased production. I can think of nothing that would be more damaging to our war effort than a critical shortage of coal during the next heating season.

A programme of conservation is already under way. A few days ago I asked all Canadians to shut off their heating systems at the earliest possible date, as a means of conserving coal. It is imperative that the conservation programme achieve a saving of at least a million tons.

Fuel wood. The shortage of fuel wood is as serious as the coal situation. As a result of inadequate cutting in the winter of 1941-42, the residents of many communities have, during the past few months, suffered severe hardship. The extreme severity of the winter increased consumption, made deliveries difficult, and curtailed drastically production for next winter.

Following the announcement in March that the government would pay fuel-wood dealers a subsidy of $1 per cord, some increase in production has been noted. The situation is still serious, however, and many communities may be in short supply next winter unless immediate, local action is taken.

Timber. During the latter months of 1942 and until very recently the shortage of lumber in Canada for war purposes was so severe that some important military projects were delayed. The 1943 production will show another serious decline. During the past few months we have had to eliminate non-essential exports, to curtail civilian consumption and to revise military specifications. We have exerted our best efforts to improve the labour supply, so that production may be increased. Orders have been diverted from the coastal areas of British Columbia to other producing areas in Canada where the shortage has not been so critical.

As a result of these measures no direct military programmes are now being delayed for lack of lumber, except where climatic conditions make hauling impossible. Our commitments to Britain, the British dominions, and the United States, for military lumber are being met in full. Retailers are still short of supplies; and industrial, agricultural, railway, public utility and other essential civilian users are finding it difficult to obtain their requirements. Had it not been for the steps taken to allocate the supplies of lumber available for domestic use, the situation would have been much more critical.

Britain and the rest of the British empire are almost entirely dependent on this country for lumber imports for direct war uses. In 1943 Canada will supply Britain with 70 per cent of her lumber import requirements. The shipments to Britain will include one billion feet of softwood lumber, 20 million feet of Sitka spruce for airplane construction, 34,000 tons of birch logs for the manufacture of aircraft veneer, 80 million feet of Douglas fir plywood, as well as large quantities of pit props, railway ties, and board made in the pulp and paper mills. In addition, Canada will supply British Empire countries with about 100,000,000 feet of urgently needed timber for military purposes.

In 1943, Canada will ship to the United States about one billion feet of lumber, all of which will be directed by the lumber and lumber products branch of the war production board into direct military uses. A crown company, Aero Timber Products Limited, has been set up on the Pacific coast to develop and increase the production of aircraft spruce. Another crown company, Veneer Log Supply, is supervising the production of veneer logs for the aircraft programme.

Petroleum. Our petroleum position is still very serious. While the victory in Tunisia will mean the opening of the Mediterranean and relief for over-burdened shipping, an offensive, or several offensives, in Europe will make heavy demands on our transportation facilities for the shipment of vast quantities of petroleum products.

Recently I discussed in the house the steps we are taking in Canada to stimulate the production of crude oil. A crown company, Wartime Oils Limited, has been established to provide assistance in the development of marginal deposits. Meanwhile, we must still

depend on outside sources for about 85 per cent of our requirements, and as these sources are being called upon to supply increasingly greater quantities of oil for the fighting fronts, it becomes necessary for Canada to get along with less.

The demand for aviation gasoline is rising in proportion to our increased use of aircraft for patrolling the sea lanes. The fuel oil requirements of the railways for their Rocky mountain divisions have increased approximately 400,000 barrels this year, and we have been faced with new and heavy demands for gasoline for the Alaska highway and other contract work in the northwest. The fuel oil demands of the navy and merchant marine are increasing materially.

In spite of our two major conservation programmes—gasoline rationing and fuel oil conversion—we are only just meeting our present gasoline and oil requirements. Any increase in requirements, or any decrease in supply will necessitate a further curtailment in the supply available for civilian use.

Rubber. As a result of the activities of the rubber control, consumption of rubber for civilian purposes has been reduced to a mere ten per cent of what it was before the war. Out of this ten per cent, tires are being provided only for essential vehicles.

Restrictive orders were not alone responsible for this saving of our stock of crude rubber. Much of it was achieved by the use of substitutes, and reclaim, in the manufacture of hundreds of essential articles.

This progressive reduction in the use of rubber is still going forward. Our technical experts are devising new formulas for substitutions; as soon as these are tested their use is made compulsory.

Although some small supplies of crude rubber have been added to the united nations' stockpile, we must still conserve existing supplies.

Construction of the government-owned Polymer Corporation plant at Sarnia, Ontario, is progressing satisfactorily. When operating at capacity, the plant will have an output of 34,000 tons of buna-S and 7,000 tons of butyl rubber per year.

It must be reemphasized that this production of 41,000 tons of synthetic rubber already has been earmarked. It will be used only for direct war purposes and for such other essential purposes as we now use our crude rubber. It will provide no relief for the shortage experienced by the ordinary civilian.

The cooperation of the Canadian public in accepting very strict tire rationing regulations and elimination of hundreds of civilian articles, has been very helpful to our rubber conservation programme.

Steel. Canada's steel production has been doubled since the war began, and this country is now the fourth greatest steel producer among the united nations, exceeded only by the United States, Russia and Great Britain. Because of the great increase in productive capacity and because of rigid curtailment policies, we have succeeded in meeting our heavy obligations. At no time has there been a single serious interruption in the operation of a munitions plant or a vital industry owing to lack of steel.

Canada has always been a heavy importer of steel. Early in the war the European sources were cut off and we had to rely on the United States and on our own resources. Despite an enormous increase in our requirements, we are now dependent on the United States for only one-third instead of nearly one-half of our supply.

The most spectacular expansion has been in the field of alloy steels for guns, armour plate, and machine tools, and these are the types of steel which call for the greatest metallurgical skill, the most complex equipment, and the greatest number of man hours. The production of alloy steels is now five times as great as in 1939. This programme has been under the supervision of Atlas Plant Extension Limited, a crown company.

Before the war Canada had not manufactured a pound of armour plate, yet to-day the quality of her product is so high and the manufacturing process so skilful that metallurgists from Britain and the United States have come here to observe the operations. The factory making this plate is now turning out enough for all Canadian requirements for tanks, armoured vehicles, gun shields and certain naval purposes.

In 1939 our output of steel ingots was under 1½ million tons; in 1940 just over 2 million; in 1941 just over 2½ million; in 1942 almost 3 million. At the end of 1943 we will be operating at the rate of more than 3 million tons per year.

New rolling and finishing mills of the most modern type have been equipped and are in operation. Two new plate mills have helped to increase production of plate to nearly 300,000 tons more in 1942 than in 1939. Most of this has gone into building cargo vessels and fighting ships. Shell steel production now is at about a quarter of a million tons

per year. We are using over half a million tons of steel per year to make tanks and other army vehicles.

Steel foundry capacity also has been expanded. The output of castings has risen from 61,000 tons in 1939 to 160,000 tons in 1942. These castings are used in a great variety of munitions from huge stern frames for cargo ships to parts for small arms.

For 1943 the steel requirements of this country are estimated at nearly five million tons, of which domestic mills will supply more than three million. We have built the two largest blast furnaces in the British Empire. One is not quite finished, but during the summer our pig iron output will be at a rate of over 2½ million tons per year, which is nearly four times as much as in 1939.

In coping with the enormous construction programmes which have been under way during the past three years, it has been almost impossible to make ends meet. At the present time we are able to release more steel for essential purposes such as railway equipment and agricultural implements.

Non-ferrous metals. Canada is the greatest base metal exporting country in the world, and this year our output will attain the highest peak in our history. This has been achieved by the enormous expansion of the aluminum industry, the development of a Canadian process for the production of magnesium, the extension of recovery operations at large base metal mines, the revival of old mines, the expansion of existing properties and the development and exploitation of new marginal and submarginal deposits.

The aluminum industry in Canada provides possibly our most spectacular story of wartime expansion. The Canadian output is more than six times that of 1939, is now greater than the total 1939 production of the rest of the world, and is supplying about 40 per cent of the war requirements of the United Nations.

Yet the demands are now so great—18,000 pounds are required for one large bomber—that civilian curtailments will continue until the war is over.

In the case of copper, nickel, lead and zinc the aggregate refined production is estimated at 827,800 tons for 1943, as against 662,100 tons in 1939.

Canada is now producing 95 per cent of the combined nickel output of the United Nations; 20 per cent of the zinc output; 12½ per cent of the copper output; 15 per cent of the lead output; 75 per cent of the asbestos output; and 20 per cent of the mercury output.

[Mr. Howe.]

Formerly entirely dependent on imports for our supply of magnesium, we now have a government owned and operated magnesium plant, using a process developed in Canada, which supplies our own needs plus a surplus for export.

At the beginning of the war, we were lacking in such essential metals as tin, tungsten, molybdenum, mercury, chrome and manganese. Under the direction of a government company, Wartime Metals Corporation, every effort has been made to stimulate the production of these metals, and where necessary to build up stock piles of imported metals. These efforts have met with a large measure of success.

We have discovered what appears to be one of the most important discoveries of tungsten on this continent. In the latter half of 1943 Canada should be well on the way to self-sufficiency in tungsten.

The search for molybdenum has met with considerable success. Two new properties, one financed by the government, will be in operation in the latter half of this year, and their combined output should provide the major part of our requirements.

The development of mercury has been outstanding. Prior to the war, we were entirely dependent on imported supplies, but to-day Canada is one of the important producing countries of the world and we are exporting in quantity.

Chemicals. Although Canadian production has risen to unprecedented heights, the supply of basic chemicals, such as alcohol, chlorine, glycerine, soda ash, and sulphuric acid, would be insufficient, if their uses were not constantly watched and, wherever necessary restricted.

Supplies Control. Canada is no longer short of cork. Hard fibres, however, are in critical supply. Substitutes for Manila and Java hemp have been found for certain uses and the production of hemp in the United States, on an increased scale this year, is expected to help the supply position materially. Nylon has replaced silk almost entirely in the production of parachute shrouds, and substantial quantities of nylon yarn are being shipped to the United Kingdom for this purpose. The supply of kapok is sufficient for our war requirements.

Machine Tools. The expansion of machine tool production and the efficient control of the allocation of machine tools has been one of the cornerstones of our production programme.

Since the war began we have produced machine tools in Canada to the value of $60,000,000. This represents an increase in yearly production approximately five times as great as that of our best pre-war year. In allocating machine tools the objective has been to eliminate waste by preventing the creation of new tool capacity when there is existing capacity which will do the job.

Priorities. The priorities branch is responsible for the proper distribution of certain scarce equipment and components. Canadian industry has been placed on the same basis as United States industry in the allotment of scarce United States equipment affected by the United States priority procedures. I remind you that priorities on imported United States equipment are fixed by the priorities officers of the United States government, although application must be made through the Canadian priorities office.

Ship Repairs. Control of ship repairs and salvage is becoming increasingly important as the battle of the Atlantic reaches its peak. In the first three years of the war, apart from naval ships, Canada repaired 5,000 vessels averaging 4,000 gross tons each.

Now that Canada has assumed greater responsibilities in convoying ships to Britain, our activities in this field will continue to expand.

Since the salvage control was established in May, 1942, effective measures have been taken to recover ships and cargoes abandoned by owners or underwriters, and much valuable material has been salvaged.

Construction. Thousands of tons of valuable raw materials have been conserved for war and essential use by construction control. A restrictive order has placed all construction projects on a licence basis.

Many hundreds of projects have been postponed until after the war, and thus a backlog of post-war activity is being built up.

It is recognized that in crowded areas private dwellings must be built. In the last four months 5,622 licences for home construction have been issued.

Power. Our great resources of electrical power provide one of the basic reasons why Canada now holds fourth place among the united nations as a war producer. The unfavourable winter season and the lateness of the ice break-up this year severely tested our power facilities.

With still more power plants and facilities going into operation this year, it would now seem safe to assume that, if present restrictions are maintained, we need have no fear for the future.

It took Canada forty-five years to bring power installations up to 7,155,000 horse-power in 1938. In the short time since war began, new developments, including the enormous Shipshaw undertaking and certain other projects not yet completed, will have added an effective electrical capacity of 1,870,000 horse-power.

Since the beginning of the war, interconnections between power systems have been made more elastic and of great capacity. Power has been loaned from time to time between the United States and Canada. In times of break-down, power has been transmitted to the United States at Niagara, and taken from the United States at Beauharnois, or vice versa, depending on the needs of the moment. In all respects the relations between the Canadian and American controls have been cooperative and helpful.

In Ontario, production has been materially increased by the completion of the Big Eddy development, the Madawaska development, and the submerged weir in the Niagara river. The DeCew Falls development is nearing completion. In Quebec, all the power companies have greatly increased their output, and the Shipshaw development alone has increased the installations this year by 600,000 horse-power. Additional generators are being installed monthly. In Alberta, the Minnewanka development has been completed; and in British Columbia, the Brilliant development is proceeding. In all the provinces, improved storage facilities, together with the installation of new machinery, have made more power available. All this new power must be used for war and essential purposes.

The gas situation in southwestern Ontario has been improved by additional drilling and by completion of a part of the new coke-oven gas plant at Hamilton. Of necessity, the gas restrictions have been very severe on many families in that area. It is hoped that when the new ovens at Hamilton are completed, and with full use of the still gas at Sarnia, all requirements for war production will be met, and some cases of individual hardship may be mitigated.

Motor Vehicle Control. Only a limited number of new trucks are being released and such releases are only for the most vital purposes. It follows, therefore, that owners of existing trucks are the custodians of irreplaceable property of importance in the war programme, and, as such, they must take every precaution to keep their trucks in good running order. Every assistance is being given to operators and garagemen to assure adequate essential repair facilities.

The transfer of used trucks from essential industries, such as farming, mining, lumbering and general haulage, is causing serious difficulties, and is likely to become critical during the harvesting of the western crops. This problem is receiving careful consideration.

Transit. With drastic restrictions on gasoline and tires for private vehicles, the public transit systems have been faced with the almost impossible task of handling approximately twice as much traffic as before the war with few additional vehicles.

In some eleven centres all across Canada the hours of approximately 351,500 office, factory, and store employees, including 39,000 government employees in Ottawa, have been staggered to relieve peak pressure on transit facilities.

When gasoline rationing became necessary, a need developed to utilize private passenger cars to transport workers in essential industries. Many of our war plants are not adequately served by car and bus lines. Late last year there was put into operation the wartime industrial transit plan which permits in certain approved plants the choice of a sufficient number of employee owner-drivers whose responsibility it is to provide the transportation needs of their fellow workers. In return these owner-drivers are the only employees of the plants entitled to special gasoline and tire privileges. By the end of April 1943, the plan was in operation in more than 1,500 plants and industries in Canada. 48,000 cars transport approximately 195,000 workmen, and as a result approximately 38,000 special gasoline categories have been eliminated.

Urban bus mileage curtailment now results in a saving of 4,687,000 bus miles per annum. Inter-urban bus mileage curtailment now effects a saving of 21,700,000 bus miles per annum. This is a net saving. A gross saving which includes mileage diverted to the exclusive transportation of war workers and armed forces would be considerably larger. Further savings are anticipated on summer schedules. Restrictions on the operation of taxicabs have also produced considerable saving in gasoline and rubber.

Transport. Handicapped by increasingly serious shortages of rolling stock and personnel, the railroads of this country have had to contend with very serious operating problems.

Restrictions such as the curtailment of extra sections, the elimination of special trains, the cancellation of special fares, including week-end rates, and the provision, to as great an extent as possible, for maximum loading of freight cars, have resulted in substantial reductions in the use of railway equipment, and substantial increases in the movement of freight.

The railways of Canada are doing a magnificent job. Despite the handicap of less personnel and equipment, they are now handling 50 per cent more traffic than ever before in their history.

I have endeavoured to give hon. members a brief summary of the work of the Department of Munitions and Supply and to indicate the present state of war production. The day to day problems in this field do not lessen. Shortages of man-power have developed, particularly in coal mining, base metal mining, forest industries, in common labour for steel mills and allied industries, and for construction work, and are being dealt with effectively by selective service. It must not be forgotten that more than 700,000 of our younger men, all physically fit, are in the armed services, and that their loss to industry has made necessary widespread readjustments of our remaining man-power.

A recent check of our production personnel indicates that only about 4 per cent of the men in industry were on deferment from military services as of March 1 last. The percentage of deferments in industry has been considerably reduced since then. This should disprove conclusively the statement frequently made that war industry is in competition with the armed services for men. It is quite proper at this stage of our production programme that the armed services should have complete precedence within the age group that have been called up for military service. It is our policy that deferments are asked only for men having specialized training and skill of a type that is absolutely essential to our programme. Women are playing an ever increasing part in war production and there has been no loss of efficiency on that account. Lost time as a result of labour disputes has been trivial, when compared with the record of any allied country. The output of war material from Canadian factories is a fine tribute to the loyalty and devotion of the men and women employed in our many war plants and war industries. When the history of Canada's participation in the war is written, those men and women will deserve to share with our armed services a full measure of recognition.

Canadian industry has developed remarkably under the stimulus of war. Never again will there be any doubt that Canada can manufacture anything that can be manufactured elsewhere. Our industry has pioneered production

in many new lines of war material, and has brought about improvements in many older manufacturing processes. Its equipment has been modernized, and its productive capacity has been expanded out of all comparison with our pre-war industry.

Later in this debate my associate, the hon. member for Stormont (Mr. Chevrier), will report on cost reductions that have been effected in our war plants.

I would like to mention especially the devotion to duty of the officers of my department, many of whom are serving without salary. I have drafted into the service of the department the men whom I consider best qualified by experience to direct its varied activities. Among them are many who came to the department with established reputations in the field of production. I am sure that industry will agree with me that their expert direction has had no small part in bringing our war programme to its present effectiveness.

The production programme of Canada has been meshed in with that of the United Kingdom, United States and other allied countries through Canadian membership on the combined production and resources board and through close contact with all allied production agencies. The Department of Munitions and Supply has branch offices in Washington and in London, England, with organizations duplicating in skeleton form our organization here in Ottawa. I feel that ours is a department of government capable of meeting the many and varied problems involved in a manufacturing and supply programme that is straining Canada's capacity to the utmost. However long the war may be, I am confident that there will be no break in Canada's production front. Therefore, I do not hesitate to ask hon. members to approve the appropriations now under consideration.

NATIONAL DEFENCE FOR NAVAL SERVICES

Acquisition, construction, charter, repair and upkeep of ships, $167,571,202.

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): I should like to answer some of the questions which have been asked during the last few days and to which I was not able to give exact answers at the time. One question concerned transportation in Canada, the United States and Great Britain by air, water and rail. For the fiscal year ended March 31, 1943, transportation in Canada by air cost, in round figures, $31,000; by water, $17,000, and by rail, $2,245,000. In the United States there was no charge for air or water transportation, but rail transportation in that country amounted to $368. In Great Britain there was no charge for air or water transportation, but rail transportation amounted to $86,000. Ocean transportation amounted to $51,000.

The hon. member for St. Paul's (Mr. Ross) inquired about lubricating oils, I have here a memorandum from the director of fuel for the navy which indicates that discussions on this question have been under way for some time between representatives of the three armed services, the oil industry and the national research council. One of the main purposes of these discussions was to reduce the number of grades of lubricating oil produced. Acceptances of tenders for lubricating oils for this fiscal year have been issued for five classes only, for the mechanical maintenance of ships, but for the maintenance of ordnance and secret equipment the requirements are greater due to the varied and delicate mechanism involved.

Mr. ROSS (St. Paul's): How many types of equipment are there?

Mr. MACDONALD (Kingston City): I cannot give my hon. friend the various types of machinery. I think that matter is not yet fully settled, but negotiations and discussions are going on with the same end in mind as prevailed in the former discussions with regard to the grades of oil for ships.

The hon. member for Yale asked whether there are deductions from the pay of ratings, and I think I replied that I did not believe there were any deductions except for income tax where income tax was exigible. I am informed that that answer is correct, that there are no compulsory deductions except in cases of men who are liable to income tax.

Mr. STIRLING: I asked also as to other ranks—officers, too.

Mr. MACDONALD (Kingston City): Officers as well as other ranks.

Mr. STIRLING: There are no deductions for officers?

Mr. MACDONALD (Kingston City): The memorandum I have deals with ratings, but I should think that in the case of officers there would be deductions in many cases for income tax.

Mr. STIRLING: I should think there were other ones, also.

Mr. MACDONALD (Kingston City): My memorandum deals only with ratings. I can look up later the question of deductions from officers' pay.

The hon. member for Lake Centre asked, I believe the day before yesterday, as to the

number of officers to be trained this year and what facilities were available to train them. Some 1,496 new officers are to be trained in this fiscal year; in addition, some 489 officers now in the service will be taking specialist courses. As to what facilities are available to train them: they will be trained at King's, at Deep Brook, and some of them in technical schools. Some of them will receive training in the specialist branches of the navy.

Mr. DIEFENBAKER: During the last year has the navy been in the position of not having sufficient facilities to train the officer personnel required, and what is the estimate of the number of officers that will be required to be trained during the coming year?

Mr. MACDONALD (Kingston City): Those are the figures which I just gave my hon. friend—1,496 new officers—

Mr. DIEFENBAKER: Is that sufficient?

Mr. MACDONALD (Kingston City): —to be trained during the fiscal year. These are the men who will come into the service and receive officer training. In addition, 489 officers who are already in the service and consequently have a certain amount of training will be taking specialist training this year. This makes a total of nearly 2,000 officers either receiving their first training or some type of specialist training.

Mr. DIEFENBAKER: Does the minister infer from that that there has been no shortage during the past year of facilities for the training of officers?

Mr. MACDONALD (Kingston City): We have done the best we could with the facilities we had. The facilities might have been improved, and we are endeavouring to improve them.

The leader of the opposition asked me as to the taxes on a certain property in Toronto, on Crescent road. That property is given to the department without any rental charge. The understanding is that we pay taxes and insurance. I understand that the cost of insuring the property amounts to $186, and that the taxes for this year are $1,368.

Some question was asked about buildings in Winnipeg. I made a reply to the effect, I think, that I did not know of any offer to give a house to the department rent free. I am informed that that is correct. There have been several offers to rent or sell properties to us, but no arrangement has been made in that regard.

[Mr. A. L. Macdonald.]

I was asked, I believe by the hon. member for Peterborough West, as to the number of architects in the department for naval services, and offhand I said I thought it was about fifty. I find that that is approximately the number in Ottawa. But there are architects and engineers on the Pacific coast, in eastern Quebec, on the Atlantic coast, in Newfoundland, and in what is known as the central district, so that the total of architects and construction engineers in the works and buildings branch—I am including both those in uniform and those who are civilians—is, for all Canada, 131.

The question was asked the other night by the hon. member for St. John-Albert as to the number of buildings of one kind and another at Deep Brook. The number is 114.

Mr. HAZEN: If I may interrupt here, I asked the minister also what kind of buildings they were.

Mr. MACDONALD (Kingston City): All the buildings are of wood. I understand that the walls and roofs are covered with fire-resistant shingles. I do not know the exact term. They are not wholly fireproof, I believe, but they are of a type commonly used now in buildings which are not intended to be wholly permanent. There are no brick or stone buildings at Deep Brook.

Mr. HAZEN: I asked also what they would be used for.

Mr. MACDONALD (Kingston City): I can give my hon. friend the names of the buildings. They are: the power house, two administration buildings, one anti-aircraft tower and dome, one anti-submarine school, one clothing store, one central heating plant, one chapel, one cell block—that should not be put right after the chapel—one cooking school, one drill shed, one dental clinic, one diving shed, ten quarters for chief petty officers and petty officers, one mess for chief petty officers and petty officers, one canteen for chief petty officers and petty officers, one fire station No. 1, one fire station No. 2, one garage, one gun battery, one gunnery school, one guard quarters, one hospital, one inflammable store—which means a store for the retention of goods which are inflammable in their nature—one laundry, one lecture hall, five buildings to be used as married quarters, one magazine, one building for training of new entry men in seamanship, one mechanical training establishment, one shipwright's shop, one central post office, one auto repair shop, one chlorinator house, one pump-house, three recreational huts, one mechanical training shop, one officers' mess, one ordnance artificers' shop, one physical

training school, one regulating office, seven regulating blocks, one railway station. The railway station, I imagine, will be on a siding. The whole establishment is quite near the railway; in fact the railway runs, I believe, through the establishment. There are also: two naval store buildings, one torpedo school, one torpedo machine shop, one victualling store and bakery, one wardroom for warrant officers, one mess room for warrant officers, four buildings to be used as quarters for warrant officers, one building to be used for nursing sisters and Wren officers as quarters; one mess to be used by nursing sisters and Wren officers; six buildings to be used for the quartering of ratings and wrens; one building to be used as mess for the Wrens; seventeen buildings to be used for ratings' quarters; five buildings to be used for ratings' mess; five buildings to be used for canteens, two buildings to be used as officers' quarters.

My hon. friend asked for an analysis of the sum of $1,294,000 which was expended as indicated in a return brought down some time ago under the heading, "other expenditures". That amount, in round figures, is made up as follows:

Purchase of new machinery	$250,000
Mess traps first outfit	37,000
Naval stores first outfit	46,000
Small boats	22,000
Charts	1,000
Medical stores first outfit	18,000
Anti-submarine equipment	55,000
Fire-fighting equipment	10,000
Training equipment	50,000
Photographic equipment	10,000
Motorcars, trucks and tractors	45,000
Books of reference	10,000
Typewriters and office machines	10,000
Armament stores	728,000

Mr. EMMERSON: The list of buildings given by the minister gives those that have been newly constructed. What has been done with the original residence at Deep Brook, the large, magnificent property there, which was taken over?

Mr. MACDONALD (Kingston City): That is being put to use. There were two garages, and those and any other buildings on the property are being put to use.

Mr. ROSS (St. Paul's): When the minister gave answers yesterday he said he would tell us how many commissioned officers of all depots were located at headquarters in Ottawa.

Mr. MACDONALD (Kingston City): Either yesterday or the day before I put on *Hansard* the number at headquarters.

Mr. MacNICOL: If the minister has already answered the question I am going to ask, or if he thinks it is not in order, he need not answer it. Approximately how many Fairmile boats are at present operating on the sea? How many are in the harbour for repairs? Has the Fairmile squadron, if that term may be used, a commander of its own looking after all Fairmiles? If so, what is his name; how long has he been in charge of the operation of Fairmiles and what is his experience?

Mr. MACDONALD (Kingston City): I shall have to look up the number of ships and find out whether they are in harbour or at sea.

Mr. HAZEN: The other evening I mentioned the question of pensions for men serving in the navy in territorial waters. The minister referred me to section 2, paragraph 3 of the Pension Act, which provides for service in Canada in such coastal or inland waters as may be designated by the governor in council to be service in a theatre of war, and consequently the insurance principle applies in such cases. Has any order in council been passed designating any coastal or inland waters as theatres of war? If so, what coastal and inland waters are included in the order?

Mr. MACDONALD (Kingston City): I do not think any waters have been designated as a theatre of war in the sense of the order in council, but any men serving on a Canadian ship of war in any of our coastal waters would be on active service and would automatically be pensionable. That is the view which the Minister of Pensions and National Health (Mr. Mackenzie) holds, and I think it is quite right.

Mr. HAZEN: That changes the picture a little. Has any order in council been passed under section 2, paragraph 3?

Mr. MACDONALD (Kingston City): I think not.

Mr. HAZEN: If that is so, is it not very much open to question at the present time if the insurance principle is applicable to men in the navy who are serving in the territorial waters of Canada or in inland waters? It seems to me that unless there is an order in council, that principle is not applicable to these men.

Mr. MACKENZIE (Vancouver Centre): That is quite correct. The insurance principle applies to those outside Canada in the air or in the navy, or with the land troops, and disability or death incurred during such service is pensionable. For those who have served only in Canada, death or disability is pensionable if it arises out of service or is attributable to service. The insurance principle does

not apply to those who have served only in Canada, but applies to anyone in the navy, the army or the air force who has served outside Canada and returns to the country for any service whatever.

Mr. HAZEN: Would the Minister of National Defence for Naval Services look into this matter and give it further consideration? Men who are serving in the navy in our territorial waters or perhaps, in some cases, in our inland waters, should come under the insurance principle. These men are just as much engaged in protecting our coasts, and many of them are just as much subject to submarine attack as men outside territorial waters. I think the insurance principle should apply to these men.

Mr. MacNICOL: In 1940, I believe, Commander A. C. Turner, R.C.N.V.R., held some important post in Toronto for the department, and it is said that he was later moved to Halifax. May I inquire if he is now in Halifax, and, if so, what post he holds?

Mr. MACDONALD (Kingston City): Yes, he was moved to Halifax to take a post at the dockyard. I am not able to say just where he is within the last week or two or within the last day or two.

Mr. MacNICOL: When I was home I passed by a new factory being erected south of the Canadian Pacific railway track just southwest of Leaside station and on making inquiries was told that it was for the purpose of building boats of some description. I am not just sure what the type was, but if my memory serves me aright, it was the kind of boat that is used in connection with aeroplane crashes at sea or lake to save the crew. I learned that these boats were being built by some folks I have known for quite a long time. I believe he was a hot-air furnace manufacturer. I just wondered what knowledge he had of building these boats, and just what type of boat is to be built there.

Mr. MACDONALD (Kingston City): That would not be under this department. The production might be crash boats for the air force, and the arrangements for that would be made by the Department of Munitions and Supply.

Mr. MacNICOL: These boats are not in the minister's department?

Mr. MACDONALD (Kingston City): I do not think so.

Mr. MacNICOL: The hon. member for Lunenburg is not in his seat at the moment. If he were, I do not think I would have to ask this question. It pertains to a Nova Scotian, Captain P. E. Walters, of 25 Waverley street, Toronto. I do not know him, but from the letters he writes I infer that he is connected with the well-known Walters family of Lunenburg. I believe his brother sailed the *Bluenose*. This gentleman has written me many letters, offering himself in any capacity to the naval service to help win the war. He gives his experience and signs himself "captain", and I have been wondering why he has not been given some employment if he is capable. He tells me that he has already taken the matter up with the hon. member for Lunenburg, who if he were here, would no doubt be inquiring about the matter himself, but in his absence I do so.

Mr. MACDONALD (Kingston City): I know the gentleman. He has written to the department on various occasions, and to my hon. friend and many other members of the house. But for some reason or another it has not been found exactly possible to make use of his services.

Mr. HAZEN: Just another word about pensions. I would like to direct the minister's attention to his remarks as reported on page 3454 of *Hansard* at the top of the first column. I am not going to quote them, but it would seem to me that that statement should be corrected a little. As I understand it, if a man in the navy has served in any theatre of war and then suffers a disability while serving in Canada or in the territorial or coastal waters of Canada, the insurance principle is applicable.

Mr. MACKENZIE (Vancouver Centre): It applies anywhere if the man served outside Canada in any of the three services.

Mr. HAZEN: But take the case of a man who has not served outside Canada, but has served on a ship in the territorial waters of Canada; the insurance principle is not applicable in his case.

Mr. MACKENZIE (Vancouver Centre): It is very largely discretionary how far the principle would apply. I understand that the naval authorities advise the pension commission as to whether the man's service was outside Canada, and that is taken as a statement of fact and the pension law applied accordingly.

Mr. HAZEN: But the words used are "coastal or inland waters". As I understand it, a man on a naval ship serving in coastal waters where he may be subjected to submarine attack does not necessarily get the benefit of the insurance principle. I think the minister might very well give further attention to that matter.

Mr. MACDONALD (Kingston City): I shall be glad to look into and discuss it with my hon. friend and make a fuller statement next week.

Mr. HAZEN: There were some questions of mine which the minister did not answer. I asked him how much was spent last year under item 4 on Deep Brook. I also asked him to tell us when it was decided to establish a training centre at Deep Brook.

Mr. MACDONALD (Kingston City): I am sorry if I missed answering those questions. The amount expended on Deep Brook is $3,742,000.

Mr. HAZEN: Is that out of last year's vote?

Mr. MACDONALD (Kingston City): That would, I take it, be up to the end of the last fiscal year. I would have to look up the minutes of the board meetings to ascertain just when the decision was reached, but I think it was about a year ago. I know the contractor got on the ground and began his excavations in July or August, so that I imagine the contract was let in July, which would bring the date of the decision to build just about a year ago.

Item agreed to.

11. Naval stores: small boats, minesweeping degaussing, anti-submarine, fire-fighting and training equipment, et cetera, $57,651,110.

Mr. HAZEN: Would the minister give us a break-down of the $19 million expenditure for 1942-43, and the break-down of the expenditure for 1943-44?

Mr. MACDONALD (Kingston City): I am sorry I cannot give my hon. friend an analysis of last year's expenditures. That is a bit difficult to do in view of the new method we have adopted of presenting the estimates in accordance with the desire to have a uniform type of presentation by the three departments, but I shall endeavour to give my hon. friend the main items for this year. The item of $57,000,000 includes the purchase of stores, small boats, charts, medical stores, wireless telegraphy equipment, mine-sweeping equipment, degaussing equipment, anti-submarine equipment, radio direction finding equipment commonly called r.d.f., fire-fighting equipment, training equipment and photographic equipment. I have not the figures for each item; it will take me some little time to get that information, but I shall be glad to get the figures and place them on *Hansard*. I have figures here which show the cost per man per ship, but perhaps that is in too much detail. I assume that my hon. friend would like to know the amount under each of these headings. I can get that for him, and it will be more convenient than to attempt to give him a great deal of detail which he may not want.

Mr. HAZEN: Are there included under the heading "small boats" any of the 550 ships to which the minister has referred?

Mr. MACDONALD (Kingston City): No; those would be what we call pulling boats, whalers and that sort of thing. They would not be included in the 550.

Mr. HAZEN: Have there been any shortages in naval stores during the past year, or have any alleged shortages of naval stores been brought to the minister's attention?

Mr. MACDONALD (Kingston City): Does my hon. friend mean a shortage in supply or a loss of stores through defalcation, or something like that?

Mr. HAZEN: I am referring to naval stores.

Mr. MACDONALD (Kingston City): But does my hon. friend refer to any difficulty in obtaining them?

Mr. HAZEN: No; I mean shortages through defalcations, or something like that.

Mr. MACDONALD (Kingston City): There have been a few minor cases, very minor, investigated by the mounted police and the naval police. They have been very few, I am glad to say.

Mr. ADAMSON: The minister mentioned degaussing equipment or apparatus. Is there a ship-wiping station on this side, to depolarize the magnetism of the ships?

Mr. MACDONALD (Kingston City): On both the east and west coasts they have what is called a degaussing range where the ships go up and down. I assume it is this equipment that my hon. friend has in mind.

Mr. ADAMSON: They bring the ships alongside and depolarize the magnetism.

Mr. MACDONALD (Kingston City): I would assume that was part of the arrangement, but I am not sure. I know the ships do run over a certain measured distance in the harbour to try out their equipment, and I assume that what my hon. friend has in mind forms part of that test. I shall look into it and make sure.

Mr. ADAMSON: I just wondered whether there were complete facilities on this side.

Mr. MACDONALD (Kingston City): I would think so. We took up that work very early both at Halifax and near Victoria. We

had some very able scientists working on it who did some extremely valuable work, beginning early in 1940. So that I think I can safely assume that all modern methods and appliances are available in each case.

Mr. MacNICOL: What is included in the words "fire-fighting"? Does the department have its own fire brigades? If so, where are they, on the docks or in stores?

Mr. MACDONALD (Kingston City): At many of our bases we have fire engines, stirrup pumps and all that sort of thing.

Mr. MacNICOL: And are they operated by firemen trained by the department or firemen drafted or accepted from fire departments thoughout the country?

Mr. MACDONALD (Kingston City): I should think they would be our own ratings, who receive some special training in fire-fighting.

Mr. HAZEN: Is any investigation, check-up or audit being made at the present time to ascertain if there have been any shortages in naval stores?

Mr. MACDONALD (Kingston City): Test checks or spot checks are being made constantly by our own men, and sometimes by outside men.

Item agreed to.

12. Miscellaneous stores and services: printing, stationery, laundry, office machinery, teletype rental, etc., $6,552,959.

Mr. ROSS (Souris): Would publicity come under printing? The other day I asked a question in regard to public relations and I was given the personnel in that branch, but nothing was said about publicity.

Mr. MACDONALD (Kingston City): I can give my hon. friend the items making up this total; printing and stationery, $617,000; books for service use, which would be largely manuals of instruction issued to ratings, books used on ships, code books and the like, $258,000; books for naval libraries, $25,000; typewriters and office machines (new equipment), $110,000; typewriters and office machines (replacements), $10,000; laundry and dry cleaning, $202,000; wages for storekeepers and armament workers, the men who work in the stores at various places and the men who work in the armament depots all over the country, $3,451,000; storekeeping contingencies for new equipment, $184,000; storekeeping contingencies for repairs, replacements, supplies and so on, $201,000; general miscellaneous services, including dockage, towing and so on, $316,000; water for ships, $141,000; inspection and testing, $5,000; rental of teletypes, $318,000; carry-over from last year, $311,000; contingencies, $367,000.

Mr. ADAMSON: Are such books as the manual of seamanship printed in Canada now?

Mr. MACDONALD (Kingston City): I am not sure that they are. We are beginning to do a good deal of printing both for ourselves and for the British admiralty, in the way of confidential books and that sort of thing, and I think it is a good arrangement for both of us. I am not sure about the manuals of seamanship; there may have been a considerable store of those on hand in Great Britain, and they may be still available.

Mr. ADAMSON: Is the money for teletypes for purchase or rental?

Mr. MACDONALD (Kingston City): For rental.

Mr. ADAMSON: To whom is the rental paid?

Mr. MACDONALD (Kingston City): Generally to the communications companies. There are teletypes running from here to Washington, from here to Halifax and to St. John's, Newfoundland; and I think we have another one to London, England.

Mr. ADAMSON: A direct one to England?

Mr. MACDONALD (Kingston City): Yes, I think we have, at this moment. We have them to various places throughout the country. Rentals are paid to the cable, telegraph and telephone companies.

Mr. GRAYDON: In connection with the matters contained in this item, was the minister's department under the jurisdiction of the director of economies control, about which we have heard something this session.

Mr. MACDONALD (Kingston City): Yes, I think so. I have never been sure, but I think I was.

Mr. GRAYDON: And how did the minister get along with him?

Mr. MACDONALD (Kingston City): I do not think I had much occasion to apply to the director of economies control. I believe I did make application to him, but it was in connection with a matter which really did not require an application. He was pleased to grant the request. I think I had occasion only once to write to him.

Mr. GRAYDON: Just a little pleasant formality.

Mr. MACDONALD (Kingston City): Yes; to show there was good feeling between us.

Mr. MacINNIS: Recently and since the beginning of the war we have read in the papers about the hardships suffered by survivors from torpedoed ships, and the difficulties they have in feeding themselves. I understand that in the United States rafts and boats are now fitted up with light fishing tackle. Has this department done the same thing?

Mr. MACDONALD (Kingston City): Yes; we have a complete kit for life-saving. As I said the other night, it includes concentrated food, such as chocolate, and that sort of thing. Then I believe a fishing line and some hooks are included in the kit.

Mr. MacINNIS: It would be very light. and would not require much space.

Mr. MACDONALD (Kingston City): It would not take much space.

Mr. MacNICOL: There was an article in this morning's newspaper about a new suit invented by a Canadian.

Mr. ADAMSON: A zoot suit.

Mr. MACDONALD (Kingston City): The navy is very much against the zoot variety.

Mr. MacNICOL: The article states that the suit was invented by a Canadian in Toronto. It is equipped with considerable apparatus, and packed with kapok, to keep afloat those who may fall into the water. Among other things it is equipped with a flashlight attached to the top of the cap, and this light flashes on and off. The article states the authorities are purchasing quite a number of these suits. Is a number being purchased by the minister's department, and, if so, under what item?

Mr. MACDONALD (Kingston City): Various designs of life-saving suits are constantly before the department. I am not aware that we have actually made any agreement with the gentleman from Toronto for the purchase of the suit about which the hon. member speaks. I know that a year or two ago, Mr. Gordon Leitch of Toronto was interested in a certain kind of suit which he felt would be helpful to shipwrecked men. From time to time various designs of belts, clothing and pullovers which will help to keep a man afloat have been submitted. I am not sure, however, that we have made any definite commitments for the suit mentioned by the hon. member.

Mr. MacNICOL: The flashlight is in the cap, and operates on and off. When the man falls or is thrown into the water from a ship he pulls the cap over his head and the light goes on and off, like a lighthouse light.

Mr. MACDONALD (Kingston City): Yes; I know about it.

Mr. ADAMSON: Dehydrated rations were a Canadian invention, were they not? Has this ration been adopted by the Royal Navy, and, if so, with what results? Has it been as successful as we hoped?

Mr. MACDONALD (Kingston City): In one form or another life-boat rations have been tried out by various countries. Great Britain had a life-boat ration. Our men studied it, and made some changes in it. They were very successful in providing water and food which would not go stale. I know that the ration designed here by our naval medical research unit attracted much attention in Great Britain and the United States. I am not in a position to say whether they have actually adopted it, but I know they were keenly interested and asked for samples, which we were glad to send them.

Mr. ADAMSON: The British navy have adopted our dehydrated food on all ships?

Mr. MACDONALD (Kingston City): Yes.

Mr. ROSS (St. Paul's): Doctor Best of Toronto deserves great credit for the fine work he has done in connection with perfecting life-boat rations. He has been living on submarines and on ships, under the most trying conditions, and I am happy to pay him tribute for all he has done in this connection.

Mr. MACDONALD (Kingston City): I agree, entirely. His work has been of a very high order.

Mr. HAZEN: I understood the minister to say that $258,000 was spent on code books. Are those books manufactured in Canada? Are they purchased from firms in this country?

Mr. MACDONALD (Kingston City): They are not purchased from firms. They are being printed by the naval department, itself, in Ottawa.

Mr. HAZEN: What does the laundry item include? Does the navy launder sailors' uniforms?

Mr. MACDONALD (Kingston City): I think this laundry item includes sheets, pillowcases, blankets, hospital bedding and supplies of that kind. I do not think it includes the personal laundry of officers or men.

Mr. HAZEN: Do sailors have to look after their own uniforms? How about the white uniforms?

Mr. MACDONALD (Kingston City): Yes; they have to scrub them down and press them out.

Item agreed to.

13. Sundries: postage, pilotage, prize funds and other costs not included in above items, $3,261,237.

Mr. DIEFENBAKER: This is an omnibus item, and offers me an opportunity to bring a matter to the attention of the minister. All of us agree as to the wonderful development which has taken place in the Canadian navy. However, there is always room for improvement, and one matter has been brought to my attention by a number of naval officers. I refer to giving greater consideration to officers of the R.C.N.V.R. in the matter of promotions, and the like.

Is it a fact that there is any difference between pay received by officers of the R.C.N. and those of the R.C.N.V.R.? My further argument will be based upon the minister's answer.

Mr. MACDONALD (Kingston City): There is no difference in the pay of R.C.N. and R.C.N.V.R. officers of the same ranks.

Mr. DIEFENBAKER: Is there any difference in the allowances?

Mr. MACDONALD (Kingston City): No.

Mr. DIEFENBAKER: I am advancing the argument I intend to advance not by way of criticism but in an effort to secure information on this subject and thus be able to reassure these R.C.N.V.R. officers who represent about eighty to eighty-five per cent of the men in the navy. They feel that they are deserving of greater representation on the naval board than they have had heretofore. Has the minister given consideration to increasing this representation? Is there any representative of the R.C.N.V.R. on the naval board?

Mr. MACDONALD (Kingston City): The secretary of the board is an R.C.N.V.R. officer.

Mr. DIEFENBAKER: That is Captain Pennington.

Mr. MACDONALD (Kingston City): Yes.

Mr. DIEFENBAKER: Is it expected that he will shortly leave the board?

Mr. MACDONALD (Kingston City): If he does, I should think we would probably replace him with another R.C.N.V.R. officer.

Mr. DIEFENBAKER: How many members are there of the naval board? Is there only the one man representing the R.C.N.V.R., who make up about eighty-five per cent of the personnel of the navy?

[Mr. Hazen.]

Mr. MACDONALD (Kingston City): The naval board consists of the chief of naval staff, the vice-chief of naval staff, the chief of naval engineering, the chief of naval equipment and supply, the chief of naval personnel, the deputy minister, the secretary, and I sit in with the board myself. My hon. friend will understand that the board is made up of the senior officers of the department, the heads of branches and that sort of thing, and it is not always possible perhaps to get a R.C.N.V.R. officer who has had the necessary training and experience to fit him to be the head of a department. There are some departments that R.C.N.V.R. officers could head very well.

Mr. DIEFENBAKER: What departments would they be?

Mr. MACDONALD (Kingston City): That would depend upon the experience of the particular officer. It is obvious that the chief of naval staff would be expected to be a permanent officer, and I think that would apply also to the vice-chief of naval staff who must take the place of the chief in his absence. The chief of naval engineering and construction, Admiral Stephens, is an engineering officer of something like thirty-five years' experience, and it would be quite difficult to find a R.C.N.V.R. officer with the necessary naval engineering experience. Many of them are qualified engineers, but they have not had the naval experience that Admiral Stephens has had. Personnel might be a place where a R.C.N.V.R. officer of the right type could perform satisfactory work.

Mr. DIEFENBAKER: If that were done, I think it would remove a lot of the reason for complaint.

Mr. MACDONALD (Kingston City): The secretary of the naval board is a R.C.N.V.R. officer. The deputy minister is a civilian, and if there is such a thing as a civilian viewpoint, he would have it. I must say that I have not heard of the complaints to which my hon. friend referred, but I might not hear of them. A lot of the R.C.N.V.R. officers who come back from the sea to Ottawa call in to see me and they talk quite frankly. I always encourage them to do that, but I must say that I have not heard of these complaints. I should be very sorry to think there was any feeling between the three branches of the navy. In this regard we follow the Royal Navy's system which has the same three branches. Our navy is only about thirty years old; it is obvious that we should have some model and guide, and I do not know where we could get a better model and guide than the British navy itself.

Mr. DIEFENBAKER: Has any consideration been given to appointing a R.C.N.V.R. officer as personnel representative on the naval board? The navy is the only service in Canada where any distinction is made between officers who served prior to the war and those who have volunteered since. I am placing this matter before the minister in all sincerity. He says that none of these complaints has come to him, but I can understand that. If the naval regulations are similar to the army regulations, an officer would have no right to make a complaint except through the regular channels.

In making the suggestion that there should be a greater representation of the R.C.N.V.R. on the naval board, I do so out of consideration for the wishes of a number of these officers who have spoken to me. In the course of conversation with at least ten of them the same matter was raised. The minister says that the secretary of the board is a R.C.N.V.R. officer, but ordinarily secretaries have little to say. We all want to see the navy built up; we all want to see it achieve greater efficiency and continue the magnificent work it has been doing; but if there is any ground for the complaint made by these R.C.N.V.R. officers that they are not receiving fair and proper representation on the board, that their ideas do not receive the proper attention, the minister should give it attention. If this is done, I feel that there will be great dividends in the way of morale, and it certainly would do no harm in connection with policy. The majority of those on the board would be permanent officers, but at the same time there would be brought into the discussions of the naval staff the viewpoint of those who had been civilians previously. The civilian viewpoint, the viewpoint of the man who has entered the service since the outbreak of the war, would be refreshing and might do a great deal to improve conditions which in many instances are not known as well by those who make a profession of the service.

Mr. MACDONALD (Kingston City): I thank my hon. friend for what he has said. He has made a constructive and helpful suggestion. I shall bear it very carefully and very fully in mind. I might say that in all those branches which are headed by members of the permanent service of the Royal Canadian Navy, there are a great many Royal Canadian Naval Volunteer Reserve men serving. A goodly number of the officers serving with the head of the naval personnel branch would be R.C.N.V.R. officers; and in that way their views, I should think, would become well known to the head of the branch. As I said, however, I shall be glad to consider the whole matter with the utmost care, and once more I thank my hon. friend for what he has said and the spirit in which he has said it.

Mr. HAZEN: Last evening I asked the minister what was the tonnage of the corvettes, Fairmiles, and some of the other ships in the navy. The minister said he did not know whether he should answer that question, and I did not press it. I ask him now if he would be prepared to tell us what is the tonnage of the smallest class of ship in the Canadian navy.

Mr. MACDONALD (Kingston City): I mentioned, I think several times, that we had fighting ships, and ships which, while very useful, were not of that type. Does my hon. friend mean the smallest vessel of any sort that we have, or is he referring to combat ships?

Mr. HAZEN: What I really had in mind was the fighting ships in the 550.

Mr. MACDONALD (Kingston City): I fancy the smallest of the 550 would be some of the armed yachts. Some of these are larger than Fairmiles; there may be some which are smaller. I am not exactly sure whether our smallest fighting ship is the armed yacht or the Fairmile. I would have to look over the tonnage of all the armed yachts and compare them with the Fairmile tonnage in order to answer that.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

The CHAIRMAN: Shall item 13 carry?

Mr. HAZEN: I would ask for a breakdown of this item.

Mr. MACDONALD (Kingston City): The item of sundries includes, as is natural, a great many small items. There is first of all a small item, capitation allowance, which is made to certain ministers of religion, who perform their ministrations for men of the service in cases where no regular chaplain is available. The amount is $706. Then there are costs of courts-martial and subsistence of prisoners, $28,000; apprehension of deserters, $1,412; prize funds, that is, prizes given for proficiency in such matters as rifle and pistol shooting and so on, $706; funeral expenses, $14,000; money paid to the national research

council for scientific services, $539,000; unemployment insurance stamps, $95,000; temporary civil servants, $54,000, which is for the unemployment insurance scheme; casual labour, $33,000 at Halifax and $7,000 at Esquimalt; bonding premiums, $3,000 to pay for bonds held on naval personnel who handle public funds; administration of merchant seamen's order, $46,000; rehabilitation grants, $141,000; small grants for Prince Robert house on the west coast, a hostel there, $1,200; pension to ex-skipper White, $363; unforeseen expenses, $568,000; contingencies, $130,000.

Mr. STIRLING: Is that $1,200 the total contribution of the government to Prince Robert house?

Mr. MACDONALD (Kingston City): So far as I know, it is. The navy league have an interest in that house and I believe we undertook this to help them out.

Mr. STIRLING: Would the minister explain just what happens to a suggested invention that is sent in to the department? What exactly is done with it? Is there an inventions board or an inventions branch in connection with his department, or does the national research council deal entirely with it?

Mr. MACDONALD (Kingston City): We have a man to whom such matters are frequently referred. There is also an inventions board which is attached to the national research council, and they are the people who pass on a great many of these inventions.

Mr. STIRLING: At some stage the navy must give its opinion on that, and I wondered whether it gave its opinion before the invention went to the national research council or at a later stage.

Mr. MACDONALD (Kingston City): Sometimes before and sometimes after.

The CHAIRMAN: Shall I report progress?

Mr. GRAYDON: Before the estimate finally goes through, this seemed to me to be an appropriate occasion, at the conclusion of the consideration of the estimates of the three defence departments under the war appropriation bill resolution, for the members of this house to pause and to reflect for a moment upon the giant contribution which the officers and non-commissioned officers and the men and women of all three branches of our armed forces are making in a cause for which this nation and empire in collaboration with the other united nations are fighting, for the preservation of a free, democratic way of life.

[Mr. A. L. Macdonald.]

Well over a month has been consumed in the consideration of the appropriations which will enable our forces to continue to make that contribution. During the debate there has been active and constructive criticism by members of this house. On many occasions there has been disagreement both as to policy and as to detail. On several occasions this disagreement has reached a high pitch. I rather think, for instance, that the Minister of National Defence for Naval Services will, upon reflection, agree that one of the most dangerous and perhaps one of the most delicate positions in which he found himself during the consideration of his estimates was when he singled out for special mention the hon. member for Broadview (Mr. Church); for this member's name may properly be said to be synonymous with the armed forces and their dependents for whom he has worked indefatigably for well over a quarter of a century.

However, we of the Progressive Conservative party have only attempted to meet the government in debating collision where we felt that the government in the interests of the nation and particularly in the interests of the armed forces, required that type of criticism in order that it may itself be rendered more capable, more competent and more efficient to do the services which the people of Canada desire it at this time to do.

There is something about democracy, however, which must not be overlooked. Right in this chamber are the representatives of the people who, while differing as to policy, method and detail in many instances, will rise up in one concordant unit, one member vying with another, on the one and only important issue facing Canada to-day, namely, the bringing of the present hostilities to a victorious conclusion.

We as civilians in Canada during this wartime period try to do our best, but that best falls far short of our armed forces' best. The achievements of the Royal Canadian Navy, the Canadian Army and the Royal Canadian Air Force have aroused in Canadians an enthusiastic, justifiable pride in the heroism and the valour of the men and the officers of all three services.

I think, therefore, that this parliament should at this moment put aside all its petty cleavages, all its little thoughts, and concentrate upon tendering our appreciation to those hundreds of thousands of our men and women who are prepared to lay upon the altar of sacrifice, if needs be, all that they have, including that dearest of all treasures, life itself. To them in the midst of our deilberations with respect to the financial requirements needed to support them, I desire to place upon the record of parliament, not

only on behalf of His Majesty's Loyal Opposition but on behalf of the entire membership of this House of Commons, a tribute of grateful recognition of their high position in our thoughts and in our minds to-day.

We solemnly recall and remember the sacrifice made by those who have fallen in this war; and to those of their kin upon whom their loss falls most heavily, we express our heartfelt and genuine sympathy at this time.

This can be little more than a gesture of this house, but we who are not privileged to serve in the more dangerous fields of conflict, at least owe it to those who do, to display to them this unity of thought and purpose, which goes much more deeply than any inadequate words of mine can properly express.

Mr. MACDONALD (Kingston City): I wish to tell my hon. friend the member for Cumberland that in giving him last night the cost of buildings at Point Edward I may have left the impression that the total cost for the completed work was $5,701,000. On checking it over I find that the whole cost will be a good deal more than $5,701,000. That is the expenditure only to a certain date this year. I desire to make that correction.

Mr. BLACK (Cumberland): I wish to thank the minister for that information. Has he an estimate of the cost of the whole project when completed?

Mr. MACDONALD (Kingston City): The estimate for the total cost when the project will ultimately be completed—of course, that will be some considerable time—including the work done and work yet to be done this year and in future years is $11,566,000. The figure which I gave my hon. friend was calculated some time back this year for the total cost up to that time.

Mr. BLACK (Cumberland): I made one other inquiry of the minister as to the actual tonnage of coal used. There are almost 6,000,000 barrels of oil and 5,336,000 gallons of gas used as fuel, and the minister said last night that from one to ten thousand tons of coal was used as fuel, but he would give the exact figures later. I should be glad if he would put them on record.

Mr. MACDONALD (Kingston City): I told my hon. friend that I was not sure, that it might be one or ten thousand tons. I had the figure of ten thousand tons in mind because I was thinking of ships that go well out to sea. That is about the right figure for those ships. What I omitted to take into account was a considerable number of ships in harbour, such as gate vessels, harbour tugs, fire boats and that sort of thing, which I find consume a great deal more coal than ships that go out to sea. The total for all ships, certain minesweepers and patrol boats, which are open seagoing vessels, and the harbour craft is 62,000 tons. That is the estimate for the year. The estimated cost of the coal is $711,000.

Mr. MacNICOL: Is the minister able to answer my question as to the number of Fairmiles at sea and undergoing repairs?

Mr. MACDONALD (Kingston City): I suppose there is no harm in giving my hon. friend this information.

Mr. MacNICOL: If it is not in the public interest I do not insist.

Mr. MACDONALD (Kingston City): There are three in for refitting or repairs at the moment; the rest are all operating. The rest would number approximately fifty.

Mr. MacNICOL: I also asked a question about the commander of the Fairmiles.

Mr. MACDONALD (Kingston City): The commander of the Fairmiles is now Captain Heenan of the Royal Canadian Naval Reserve. He is a man of considerable sea experience. He began as a boy in sailing ships and has followed the sea ever since. He is the senior officer of the Fairmiles, and with him he has as staff officer Commander Powell of the Royal Canadian Naval Volunteer Reserve.

The hon. member for St. John-Albert asked as to the tonnage of ships. Without going into the tonnage of all ships, I may tell him that the largest ship of war we have is 7,000 tons and the smallest seventy-nine tons.

Item agreed to.

Progress reported.

SUPPLY

The house in committee of supply, Mr. Bradette in the chair.

DEPARTMENT OF AGRICULTURE

Administration service.

1. Departmental administration, $130,406.

Hon. J. G. GARDINER (Minister of Agriculture): Mr. Chairman, since I was last before the committee with my estimates I was called upon to attend the funeral of the late Hon. W. R. Motherwell, who had preceded me as Minister of Agriculture. The fact that during the almost eight years that I have had the privilege of being Minister of Agriculture four men have passed away who had

formerly occupied this position in earlier days, suggests to us the rate at which time passes. No life could have exemplified more completely the importance of making full use of the time that is allotted than the life of Hon. W. R. Motherwell. He was given thirteen years longer than the allotted span, and during the whole period of his life has been busily engaged in doing those things which he considered to be in the interests of agriculture.

He was born a few miles from this city, in Lanark county. He won a scholarship which took him early in life to the Guelph agricultural college, where he graduated with honours as one of its first class. Shortly after graduation he journeyed west to locate as a practical farmer on a piece of raw prairie which, in a period of about twenty years, he converted into one of the finest farm homes in Canada. He made the trip west from the end of steel by ox-cart and turned his first sod with oxen, but he lived to see the farm equipped with the most up-to-date machinery and farmed by the most modern and most up-to-date methods. Mr. Motherwell accomplished the difficult task of remaining a practical dirt farmer while keeping up to date as a technical agriculturist. This part of the story comes to me second hand, but the remainder of his life was so closely intermingled with my own that his passing has removed a faithful friend and a helpful adviser.

In 1904 I went to what is now Saskatchewan. My first political experience was in assisting to elect the first government of Saskatchewan, in which Mr. Motherwell was minister of agriculture, in 1905. In 1911 I became principal of a school in his home constituency and in 1914 entered the legislature as his representative, supporting the government of which he was a member. In 1921 he became my representative in the House of Commons for the federal constituency of Melville, and in 1940 I became his representative in the House of Commons for the federal constituency of Melville. For thirty-two years we lived within sight of each other's home. I therefore speak of him to-night as a close neighbour, as a long-time political friend and as my most valued tutor in matters pertaining to agriculture. He was a man with whom one could feel honoured to be in agreement and with whom one hesitated to be in disagreement because of his wide experience, great knowledge, unquestioned integrity and his conscientious pursuit of his convictions.

Mr. Motherwell's service to agriculture is written into the records of farm organizations, first in the province of Saskatchewan, later across Canada and, while Minister of Agriculture of Canada, across the world. His great energy and organizing ability found expression in the territorial and Saskatchewan grain growers' associations, which laid the community foundation for every cooperative farm organization in western Canada. During his period as minister in Saskatchewan he laid the legislative base for every cooperative farm organization in that province, and brought arts, science, engineering, law, medical and agricultural students together on one campus. During his service in Ottawa he promoted cooperatives, encouraged the grading of farm products and fought in a practical way every parasite and disease which attacked animal and plant life, crowning his efforts by organizing an attack upon rust in wheat. His outstanding international achievements were those of arranging to have the world poultry and wheat conferences held in Canada.

His long and useful service in agriculture was acknowledged by his friends while he still lived, in two ways: first, by hanging a life-size portrait of himself in the agricultural college he established at Saskatoon, and second, by gathering in his long cherished Qu'Appelle valley, the beauty spot of the prairie west, to present him with a substantial purse and express their appreciation of his services. But his greatest joy came from the fact that his only grandson, who had reached the age of maturity and who graduated with the highest honours from the institution Mr. Motherwell had established at Saskatoon, did him the honour just before his death of taking over the old homestead, thus keeping in the name of its creator the farm which has meant so much to Canada.

I was gratified to have the privilege of representing the government of Canada and you, the agriculture committee, before which he stood so often, at the graveside of a matchless farmer, a technical and practical agriculturist, a Canadian statesman whose name will live in the annals of western Canadian pioneering life. It was my privilege to carry to his widow, his son, his daughter, his grandson and granddaughter, all of whom are highly honoured in their own right by all who know them, your sympathy and your appreciation of a life well lived. At the same time I should like to say to this committee that I believe the passing of Mr. Motherwell marks the end of an era in the development of agricultural life in the great central section of Canada. He was one of the pioneers. In his death we witnessed the

passing of one who did much to make possible the settlement of people in the western part of this country and to make of Canada a greater country.

While I was west I had the opportunity of attending the funeral of a neighbour of Mr. Motherwell, whose life marks, I think, the beginning of a new era, not only in the agriculture of the west but in the experiences of Canada as a nation. This man, Doctor Hiel, had not reached an age at which we expect men to pass on. He was a young man, only thirty-three years of age. Into his life, however, he had crowded more than most of us are able to crowd into a span of seventy or eighty years. He was the youngest person ever to graduate from the university of Saskatchewan, entering that university before he was fifteen and graduating in due course. He took a course in medicine at the university of Toronto and passed with honours. He spent a year as an interne at the sanatorium in the province of Saskatchewan, a year as an interne at the Civic hospital in Ottawa, a year as an interne at the Bedford hospital in Great Britain, and took a post-graduate course in Vienna. Then he spent a year as surgeon on a British ship sailing out of Liverpool. Two years before the war he came home and began to practise medicine in Timmins, Ontario. When the war started he enlisted, and two weeks ago passed away in a hospital in Toronto, following an attack of pneumonia. He was brought to his old farm home to be buried, in the same neighbourhood in which Mr. Motherwell had lived.

As a comment on the statements made the other evening by the hon. member for Vegreville I should like to describe to this committee what I experienced at that funeral. This young man was one of a family of ten; he was the fourth boy of a group of seven, all born and raised on a farm in Saskatchewan. On this occasion he was dressed in the uniform of a captain of His Majesty's forces; over the coffin in which he was placed was draped the union jack, and the coffin was carried by his six brothers. Of those six brothers the first two were in uniform; one was a lieutenant in the army, serving on the Pacific coast and the other was a private in the army also serving on the Pacific coast. Of the two brothers immediately following, one had a teacher's degree, and had taught school in Saskatchewan, while the other had the degree of M.A., and is principal to-day of the high school grades in a school of which the hon. member for Yorkton (Mr. Castleden) was principal until a short time ago, and of which I had the privilege of being principal some years previously. Behind those two were two other young men, one a farmer, farming in his own right, and the other a grain buyer who had farmed for a number of years and then taken up the position of grain buyer.

But a most important fact is that following these six young men were the father and mother. And that father and mother were over seventy years of age. With them were two daughters, the third being in eastern Canada, the wife of a young man of foreign nationality who came east to take his part in making munitions, in order that this war might be prosecuted to a successful conclusion.

The point I wished to make particularly is that the mother and father came to this country from Europe. They were of German nationality, having come here from Austria before they were twenty years of age. They married in Canada, raised their family on a farm in western Canada, and made their living from the soil, soil which had never been broken before they broke it. They worked out of that soil the education of that family, consisting of the group of boys and girls I have described.

The further point I make is this: We were led into a church of the Lutheran faith. The service was conducted in the German language, and the hymns were sung in both German and English at the same time. A thousand people attended that service—Poles, Germans, Anglo-Saxons, and people of other nationalities. But I am sure hon. members in the committee will agree with me that an incident of that kind in a country such as ours, under these conditions, does mark the opening of a new era, an era of international understanding among all the nationalities who have come to this country, an understanding which will result and has already resulted in the building of a lasting Canadianism.

I recite these two incidents, one to mark the passing of the great pioneering age in western Canada, and the other to mark what has become a united feeling among our people in support of the institutions of government which make freedom possible in this country, and out of which true Canadianism will grow. The men we honour by mentioning them here were builders of a better and greater Canada.

Mr. MacNICOL: Mr. Chairman, I rise at the request of my leader, who was not as well acquainted as I was with the late Hon. W. R. Motherwell, to say a few words at this time. Perhaps it is fitting that I do so because my people came from the county of Lanark, Ontario, in which county the late minister was born.

I like to think of the late Mr. Motherwell as he sat in opposition during those days when the Right Hon. R. B. Bennett was

Prime Minister. One would have had to see Mr. Motherwell in opposition to appreciate fully just what a bonny fighter he really was. Certainly he had great debating abilities. His arguments were always presented in a kindly and generous way, and all hon. members liked to hear him speak. He advanced his points in good order and bolstered them with great strength.

I remember his last speech in the house, when he was sitting on the government side. On that occasion he disagreed with government policy. A man who can view any issue in a broad and unbiased manner, and who can take a stand against those whom he is supposed to support, is a good man indeed. When I say that I am referring, not to the correctness or otherwise of the arguments he advanced on that occasion, but rather to his spirit of independence, a spirit which was exemplified in many battles in which I have seen him take part.

In the last few years I have made a study of the great province from which Mr. Motherwell came, in the hope that as a humble member of parliament I might do something for its greater development. In my studies I came across the names of two other men, each of whom rendered great and lasting service to that province. I have in mind the father of the hon. member for Moose Jaw (Mr. Ross) and the father of the hon. member for Qu'Appelle (Mr. Perley). I believe at one time the late Mr. Ross was a senator as was the late Mr. Perley. That part of the late Senator Ross' career with which I made myself familiar was the part in which he acted as commissioner, and travelled to the Northwest Territories to negotiate treaties with the Indians. I spent some time in the same area last summer.

These three men all pioneered in the west. I like to think of the pioneers, and the hardships they overcame. My own people, who came to the county of Lanark in 1820, and these pioneers of whom I have been speaking, and who went to western Canada, suffered hardships we find it difficult to understand. They faced most unfavourable circumstances, but succeeded in overcoming them.

I know the late Hon. W. R. Motherwell had the tenacity to overcome any difficulty with which he was confronted. I was pleased to hear the minister say that the late Mr. Motherwell settled north of the valley of the Qu'Appelle, because after much travel I can say that, despite its lack of trees, when compared with the valleys in eastern Canada the valley of the Qu'Appelle is one of the most beautiful I have seen. It has a beauty and a glory all its own, and I should hope that the present Minister of Agriculture, should he remain in office long enough, would do something toward providing a better water supply, through storage facilities, and thereby make a contribution which would result in even greater beauty to that valley. I was thrilled with the beauty of the Qu'Appelle, because I had not thought that in that part of the country, on the prairies, one would find such a beautiful spot. I could say more about that part of Canada, but possibly on this occasion I should not speak at greater length.

I realize I have spoken altogether too imperfectly, and feel that my leader might have spoken with greater eloquence than I have in paying this tribute to a distinguished statesman who has passed on. I understand he received his education in the county of Lanark, just outside the town of Perth, and it is altogether likely that he went to western Canada as a young man. A reference to the Parliamentary Guide discloses that in 1894 he contested the constituency of Qu'Appelle. That being the case, he must have gone out there when quite a young man. He must have been an able young man to receive the nomination for Qu'Appelle on that occasion. I am happy to make these few observations about the dear old gentleman. I feel I can call him "dear old", because he and I were great friends. I can remember, when the last redistribution bill was being considered and I was chairman of the main committee, he came to me and said, "I know I can trust you." I said, "You surely can." The result was that he got his way, and I am happy he did even though he did not come back here any more.

Mr. COLDWELL: Mr. Chairman, I think it is fitting and proper that the Minister of Agriculture (Mr. Gardiner), in introducing his estimates to-night, should pay the tribute he did to the late Hon. W. R. Motherwell. I was never on the same side of politics as Mr. Motherwell, but in common with all those who were on the opposite side, I admired the great work he did for the western farmer, particularly the farmer of Saskatchewan. In the life of the Hon. W. R. Motherwell we have the story of the Saskatchewan pioneers. As the minister has stated, along with several other old-timers he founded the grain growers' association. From their work largely came the cooperative elevator company and throughout the years he was a doughty representative of the western plains.

I came to this house when he was a man of very advanced years and I can remember hearing him express his views. They were not always in consonance with the views of the government which he supported, and that fact

made me admire him all the more. Sometimes it takes a great deal of courage for a man to disagree with old friends. On several occasions it must have been more or less painful, not only for Mr. Motherwell but for his friends when he felt compelled to disagree.

The Minister of Agriculture said that the passing of the Hon. W. R. Motherwell marked the end of a pioneer era. The minister spoke of the members of the family who were present at a funeral. My years in western Canada have not been as many as those of either the Minister of Agriculture or Mr. Motherwell. I have been there for some thirty-four years. I can remember quite well the coming of these later, but still pioneer people from central and southern Europe. Only to-day I was remarking how I had watched the immigrant trains come into the town where I was teaching, with the women wearing shawls on their heads. They were often representative of a depressed humanity from central Europe seeking a way out in the new land. Although I have spent fewer years in the west than the Minister of Agriculture, I have seen a boy of one of these families become a member of the Saskatchewan legislature and eventually an officer in His Majesty's forces, although he was originally of German-speaking origin. Others, too, are making their contribution to the new Canada in many ways.

We who live on the plains owe a tremendous debt of gratitude to men like Mr. Motherwell, to the late Hon. George Langley, to A. G. and John Hawkes, Haultain and the rest of them. We may not have agreed politically —I did not—but I pay my tribute for the foundations which they so well and truly laid in the province in which I live.

Mr. BLACKMORE: Mr. Chairman, no representative of a western Canadian constituency, no representative of any agricultural constituency could feel at ease when remaining quiet while such kind words were being said in memory of the Hon. W. R. Motherwell. I am glad the Minister of Agriculture has taken time to-night to pay this tribute which is so richly deserved. It is perhaps true that the passing of the Hon. W. R. Motherwell marked the end of an era, but there were two things for which he stood consistently, which we must not allow to pass. One of those was a square deal for the farmer. That good man took a particular interest in me. When I came here I was inexperienced in political affairs, and he came to me several times and told me how serious was the injury that was being done to the farming population of Canada. I think he was trying to imbue me with the spirit of revolt against what was happening to the farmer. I tried to assure him that I already was imbued with that spirit, that the only difficulty was that I could not find the means to express myself adequately in order that I might be effective in the fight for a better set of conditions for the farmer.

I think every member will remember the last speech which that great man delivered. I think we can fittingly call him a great man. At that time he protested against what had been done to the wheat growers of western Canada, what he considered to be a betrayal of the interests of the western farmer and the wrecking, so to speak of all the things for which Mr. Motherwell had given his life. We in this house should remember with great respect the efforts that he put forth on behalf of the farmer, and we should be impressed by them. We have a long way to go yet before we give the farmer anything like the kind of deal to which he is entitled and which in the interests of the economy of this country he must receive.

Another thing for which the Hon. W. R. Motherwell stood was a greater democracy. I can remember the sternness with which he set himself against the almost panicky movement toward the adoption of the Sirois report, and I can recall the letter which he wrote to the *Western Producer,* calling attention to the grievous error that was being made. He was not in favour of centralization; he favoured decentralization and greater democracy for the people. We could well listen to the words of counsel of that great Canadian. I rejoice that I have had this opportunity of adding these few words of tribute to a man whose name was almost a household word in western Canada. His name was associated in my mind with the good things of life before I had any realization of why they were there.

Mr. PERLEY: Mr. Chairman, I am glad the Minister of Agriculture has provided an opportunity for us to express our appreciation of the splendid work done by the late Doctor Motherwell and to pay a tribute to him and regret his passing. He was one of the early pioneers. One hon. member has already referred to the fact that my father had some little association with Doctor Motherwell in the pioneer days. He was born on a farm in Ontario. He proved his initiative in going to western Canada and applying there the principles of sound agriculture. He started on a farm near Abernethy, which is north of the Qu'Appelle valley. The farm of the Minister of Agriculture is nearby, and I might mention that my own farm is less than twenty miles from Doctor Motherwell's farmstead;

I knew the property very well. I well recall having been present, when a mere boy, at the first meeting in Indian Head attended by Doctor Motherwell, and I was proud of the fact that my father was there in association with him in forming the first grain growers' association, which was organized at that meeting to fight for a square deal for the farmer. In those days the main issue was the right to ship grain in cars and get better service. Mr. Motherwell was elected on that occasion to head that organization. I think he did a good job.

Much has already been said of what he accomplished on behalf of the farmers. He fought for them right through. Those were the days of the buckboard and pony. In the winter time Mr. Motherwell hauled his grain across the Qu'Appelle valley. I remember on one occasion, when I happened to be in Sintaluta, which is a little east of Indian Head, he arrived with a load of grain in bags, drawn by a team of horses; the grain was not even in bulk. He was a pioneer. It is not necessary for me to enlarge upon what has already been said with respect to the part he played in political affairs and in the public life of Canada. I had the honour of sitting in this house with him for a number of sessions, and I cannot help but say that he was a fair fighter. We did not always agree, but he was always willing to be fair, and beyond doubt he made a great contribution to public life and set a great example to those who sat with him and followed him. I am pleased to have had this opportunity of paying my respects and expressing a word of appreciation of this splendid character.

Mr. CRERAR: Mr. Chairman, as one who can lay claim to be a pioneer in the prairie country, I should like to add my word to the tributes which have been paid to the late Mr. Motherwell. He went to what is now Saskatchewan in 1883. My father settled in western Manitoba in the autumn of 1881. I often reflect upon the debt which we in western Canada owe to the pioneers, the people who went out to the far-flung spaces of the prairies, often remote from a railway, getting mail perhaps once or twice a month, without medical services, without the amenities which we now consider necessary for a full life. They possessed qualities which it is well for us to think upon. Those who go to the far places to develop and build up a country must possess qualities which are among the greatest in the human scale of values. Mr. Motherwell possessed those qualities. He had character and integrity; he had public spirit, whether in his school district, in his church, in his municipality, or in the larger fields of provincial and federal affairs. He had, as the hon. member for Davenport said, the quality of being a bonny fighter. He battled intensely for what he believed in. He did not hold his opinions lightly; he was willing at all times and in all places to stand up and fight for the convictions that were in him. That is a quality I always admire, whether I agree with the convictions or not.

All over the prairie country to-day the pioneers are passing off the stage; the little cemeteries are filled with them; but the qualities of faith, of courage, of self-reliance, which they bequeathed to their successors are ones which should not be overlooked or forgotten. I am glad indeed to pay my humble tribute of respect to the memory of a great westerner, a fine farmer and a devoted public servant.

Mr. JOHNSTON (Bow River): Since last the Minister of Agriculture (Mr. Gardiner) was before us we have had statements from the ministers representing the army, the air force, the navy, and industry, and we have viewed every one of their problems from the point of view of war industry. The last minister to address the committee was the Minister of Munitions and Supply (Mr. Howe), and he outlined the progress in the manufacture of war supplies and showed what a height of development the industry had reached. It has come practically to peak production, and its labour problems from now on will, I suppose, be readily manageable. The army is in need of men and is making a stand in that regard. The air force was probably the most outspoken with respect to man-power of any of the departments so far before the committee. I admired the way in which the Minister of National Defence for Air (Mr. Power) spoke about man-power as it affects his department. He said without hesitation, "We are not going to fool around with this problem any longer; men are either going to be in the air force or on the farms, but once they are in the air force they are going to stay there." The Minister of National Defence for Naval Services (Mr. Macdonald) took practically the same attitude.

As we know, the army is in need of men, and agriculture is in need of men. With all due respect to what the minister said the other day about his not being on the man-power committee and this not being his problem at the present time, I think he must take a definite stand on this question, because we are coming to the stage in agriculture when probably the greatest demands are to be made upon it. As I pointed out, in industry we are at a point, so far as the equipment of

our armed forces is concerned, when probably we can slacken down or at any rate will not need to increase the pace. But in agriculture that is not true, because the more progress we make and the more victories we achieve in this war, the greater the demands on agriculture will be. We anticipate that Italy will soon be forced out of the war. It will then become an obligation on agriculture to feed the Italian people, and we in this country will have to supply a share of their needs.

Someone asked the other day where we were going to be short of food. I say that, if there is any shortage, the place where we would be short of food is right in Canada, because I believe agriculture has a definite obligation. Having made definite commitments to supply foodstuffs for overseas, these commitments must be fulfilled, and we shall have to divide among ourselves what is left. If we have to come to rationing, that is what it will have to be, and the greater our success overseas, probably the greater the shortage of food here will be. Therefore everything points to the necessity of placing agriculture on a war-time basis, and the minister will have to come out and declare emphatically what labour he requires for the farms, and will have to put those requirements before the Minister of Labour (Mr. Mitchell). There the problem will rest, and the Minister of Labour will have to deal with it in the same way as he is dealing with similar problems in the navy, the air force and the army. He cannot fool around with this problem; it has to be solved.

The Minister of Agriculture, when he was speaking the other day, rather shifted the blame for man-power on to someone else's shoulders. He was asked whether he was on the man-power committee, and he made this statement, as reported at page 2894 of *Hansard* of May 21, 1943:

Yes; there is a man-power committee and I am on that committee.

Then further on:

I have explained to the committee on two occasions that this is not my problem and has nothing to do with my estimates.

Whether it has to do with his estimates or not, it is certainly his problem, and it is his problem in two ways: first, because agriculture is his problem, and agricultural production is his problem, and he cannot and will not get production unless help is there on the farms; and second, because he is on the man-power committee.

The other day I received a letter that illustrates some of the difficulties that confront us. I wish to put a part of that letter on the record. It comes from a lady and is dated April 13:

Did you get my letter of recent date telling you of my son's—

Here she names her son.

—short leave or rather visit home? He went back to Victoria on the 4th April and applied for 60 days agriculture leave but was turned down. All miners and agricultural leaves were called off, so he was informed.

When we expect that these boys in the army will get agricultural leave that is what they are faced with, and apparently there are to be no more leaves either from the air force or from the navy. I received a letter from the Department of National Defence for Naval Services the other day, and in effect that is exactly what it stated, that these leaves for agricultural purposes would have to be stopped. The Minister of National Defence for Air said the same thing. Last year we had some recourse to that method and could get employment from the armed forces, but that is a thing of the past. This lady continues:

Here we are with practically 500 acres of crop to be threshed before we can commence seeding operations for the new crop. You know, too, all the work there is to be done, cleaning all the seed for 600 acres and treating it too. At present we are absolutely without help. My husband himself looks as if he were due for a break-down. Can you wonder at it?

I have three more letters in the same tone, just received, to which I replied to-day. One is from a fellow who is in a much worse condition. He has a mortgage of $7,000 on his place. He paid $3,700 interest and another $2,200 in interest this year, but he still owes $9,000 and the mortgage company is now clearing him off the farm. With his son taken away, what will he do?

These are the conditions we have to face. The minister, when he was speaking the other day, made further reference to this question, as recorded at page 2893 of *Hansard* of May 21. On that page will be found certain figures in regard to employment, but before I refer to those figures I might quote something the minister said as reported at page 2896:

To an extent, of course, the figures based on the 1941 census must be estimates. The figures with regard to the placements are actual figures and the figures with regard to the applications which are in the offices are also actual figures. I scarcely agree with those who seem to feel that the figures do not mean anything.

The minister is right in the last statement. They do mean something, and I shall refer to that later on. Further on he said:

What these figures do mean is that people have not been sufficiently anxious about the employment situation on their farms to appeal

to the employment offices to a greater extent than they have done. They have been directed to do so by everyone who has been talking to them about these matters. I am sure that members have directed them to do so, as I have done every time they have written to me inquiring about the matter. . . .

I would point out to the minister, however, the futility of applying to these offices, because, according to the table to which I have referred, on March 1, 1939, the estimated number of male farm workers, including operator, in thousands, was 1,080; in 1940, 1,065; in 1941, 1,000; in 1942, 910, and in 1943, 880. That shows a yearly decrease of about 50,000. If that rate continues I wonder what the condition will be next year when the figure is reduced by another 50,000. And that includes the operator himself. The same condition is true so far as hired help is concerned. In 1939, taking the same date, in thousands, the figure was 285; in 1940, 270; in 1941, 220; in 1942, 175; in 1943, 140. In other words, we have a yearly decrease there of about 36,000. That is hired help, so that hired help will be practically non-existent for this fall's work, because the Minister of Labour is taking all casual workers who used to work during the agricultural season and putting them into industry, and industry, it is hoped, will continue on a fairly level base from now on. Well, we shall have to take some from the armed forces and probably industry and put them into the mining industry, but there will be no help from that source for agriculture; and when you reduce the actual male workers on the farm by 50,000 a year and the hired help by 36,000, you will find agriculture this fall in a most precarious situation.

The Minister of Agriculture suggested that the farmers should avail themselves of the services of the employment offices. That is all very well as far as it goes, and probably they will be assisted to the extent that their applications can be filled. But if you look at the table for Saskatchewan and Alberta—I will not refer to the other provinces—you will find that the placements were 115 males and fifteen females for the month of March, 1943; and in April of the same year the number of males was 298 and females sixteen. But the unfilled orders that were sent in numbered 942 males and 135 females.

What good purpose would it have served for the people in that district to take advantage of the employment services or of the selective service agencies? They could not begin to fill the vacancies that already existed, and there was no use in appealing to them because they did not have the men. In Alberta we find a similar situation. You cannot therefore pick out one province and say that though the condition I have described existed there, it was simply a localized affair. In Alberta, in March the placements numbered 304 males and 39 females, and in April it was 714 males and 43 females. For Alberta the unfilled orders from April 29 were 576 males and 125 females. That was last year. If the same rate of depletion continues as in the last three or four years, and there is no reason to believe it will not, the situation is going to be aggravated almost twofold this year.

Mr. GARDINER: My hon. friend said, "That was last year". But the figures he was just reading were for March and April of this year, 1943. I am sure my hon. friend does not want to misrepresent things.

Mr. JOHNSTON (Bow River): I do not want to misrepresent anything. It is quite true, as the minister says, that the figures I have just given were for 1943. But the fact remains that there will be fewer men on the farms this fall than there were March 31, 1943, because they are being taken away from the farms now. I have just stated that some of these postponements are not being granted any more. The minister for air said quite definitely the other day that he was not going to fool round any more with postponements from the air force, that the men had either to be in the air force or on the farm, and that if they wanted to be on the farm they would be discharged from the air force.

Mr. GARDINER: Those are all voluntary enlistments.

Mr. JOHNSTON (Bow River): It depends upon what is meant by voluntary enlistments.

Mr. GARDINER: It does not depend upon anything. They are voluntary enlistments.

Mr. JOHNSTON (Bow River): Of course the minister knows that we have come to understand voluntary enlistment now as a modified form, and a strong form, of conscription. The minister knows quite well that when these boys on the farm know they will be called up into the army, just before that time comes they volunteer. That is not voluntary enlistment in the ordinary accepted sense of the term; that is coercion.

Mr. GARDINER: I do not want to argue the question of military enlistments, because I do not think this is the proper time. That question has already been argued for three weeks, but I think it is only fair to say that many of the men enlisting in the air force to-day are eighteen years of age, and no one has been compelling them to go anywhere.

Mr. JOHNSTON (Bow River): They wait until they are about to receive their call-up notice and then they enlist, for the obvious reason that they know they will have to go. I could give the minister many instances where that has occurred. As I told him, I have three letters on my desk that I answered just to-day in regard to that very matter. The minister might say that if they are essential to agriculture they will get off, but that definitely is not so. As I pointed out to another minister the other day, when a member of this house attempts to get a postponement for one of these farm boys what happens in some cases—I will not say in all cases—is that as soon as the commanding officer finds out that he may lose one of his boys, the boy is shipped away; he is put in a draft for overseas. I have known that to happen twice within the last month and I read a portion of a letter about it the other day. So that we cannot depend upon possible postponements for our agricultural help. I am not blaming the armed services, because you cannot have an air force, or an army, or a navy, if the fellows are going to be in the armed services one day, home the next, and back in the armed forces the next day.

Obviously something definite must be done to ensure agriculture the man-power it requires. We must view agriculture as an essential industry and treat it as such. Otherwise, this fall and next spring when we are seeding another crop we shall find ourselves in the greatest difficulties. Agriculture must be treated as a war industry.

I can see a great deal of benefit in having a defence force and in giving everybody a certain amount of training. I would suggest that the boys from the farm be given their training for home defence purposes during the winter or in between seasons for agriculture, and it should be definitely understood that when their services are required on the farm in the spring and in the fall they will not even have to ask for leave and be worrying whether they are to get leave or not. Let it be definitely understood that in the busy seasons on the farm they will be sent back on the farm. Then the farmers can make their plans accordingly.

Take the case I gave a while ago. This farmer is about fifty-five years old. I know him quite well. He has about six hundred acres yet to be seeded. His boy has gone. His son has been transferred to another ship. His nephew, who was helping him before, is on the Atlantic coast. They applied for leave last spring, but their cases were put off and put off until now this farmer is up against an impossible situation.

A lady from Quebec wrote me that her son had been taken into the air force and that, in consequence, she had to dispose of her great dairy herd. They are now milking only one cow. She gave me the names and addresses of several families within fifty miles of Montreal which have had to dispose of large dairy herds. The situation is becoming so serious that we shall have to take a longer range view, and I think the Minister of Agriculture should definitely state some concrete policy in regard to farm labour. The boys in the army who are essential to agriculture will have to be sent home to the farm to stay there, and the only military training for them should be for the reserve army, the training to take place during the off seasons for agriculture.

Another thing that has been pointed out to me and, I am sure, to other hon. members, is that hired help is asking such tremendous wages that the farmers simply cannot pay them. The price the farmer receives for his products is not sufficient for him to pay the high wages that are being asked to-day. Ordinary farm labour this spring was asking for seven dollars a day. That was in threshing time this spring. With present prices the farmer simply cannot pay it. Then what is going to happen? Just what happened last year. The farmers are not going to pay such wages because their returns are not sufficient to enable them to do so; it is not because they do not want to do so. The result will be that this year there will be a great drop in the production of foodstuffs. If somebody suggests that instead of raising so much wheat the farmers should go into mixed farming because that does not require as much labour, he is definitely wrong. Anyone who has had to feed cattle during the winter would never make a suggestion of that kind.

We shall have to control the wages the farmers are asked to pay, or we shall have to increase the prices which the farmer receives for his products, so that he will be able to pay these high wages. I am not blaming the fellows who are out working for hire, because they see men who are working in industries in the cities getting high wages. Mind you, they do not work as long as the fellows who have to work on the farms. When you get up at five o'clock in the morning and work until ten o'clock at night you earn your $7, but when you work in an industry you do your eight hours and then go home. Of course some farmers are a little better off than others; they may have a little more power equipment, but there will have to be an adjustment in the prices of farm products. I do not think the bonus scheme is at all satisfactory. I believe the principle is wrong, when you give farmers bonuses for not raising wheat. I think if you

paid them a decent price for their produce they would not require nor ask for bonuses, and you would overcome a great deal of the difficulty.

In the last two or three months I have received several resolutions, some of them rather in the form of petitions, signed by large numbers of ratepayers protesting against the prices received for two commodities, namely, pork and eggs. I was asked to bring this matter to the attention of the minister. They say they can see no reason why there should be such a fluctuation in the prices paid to producers of pork, since the price is set for the packers at seaboard. If that condition still prevails, and I presume it does—

Mr. GARDINER: The fluctuation is all above the price set.

Mr. JOHNSTON (Bow River): Yes; but the point is that there should be some stabilization, so that the farmer might know definitely what he would get. In all these resolutions I have received, in regard to both pork and eggs, the request was made that there should be stable prices so that they might know exactly what was coming to them. One of the great handicaps to farming is the uncertainty of it; uncertainty regarding weather conditions, uncertainty regarding the length of the season, uncertainty regarding help both in spring and fall, and then, on top of that, uncertainty as to price and whether or not they will be able to sell their grain at all. In addition to all that, there is the tremendous worry of how the mortgage is to be paid.

Let me give an illustration to-night. This man has been farming for about thirty-five years. He had a mortgage of $7,000 on his farm. He paid $3,500 in interest in one shot and $2,200 just a little while ago, but he still owes $9,000 and he is going to be foreclosed. Show me an industry in this country that has to put up with these conditions. Why, industry would not stand for it for a moment. Those of us who were on the war expenditures committee last year know definitely that wages do not concern the industrialist very much because they are all figured in the cost of production. When industry has to hire unskilled help, that extra cost is figured in. It will be remembered that last year we sent schoolboys out west to help the farmers, and those schoolboys had to be paid $4 and $5 a day. But the farmers were not allowed to add that extra expense to their cost of production.

What happens at the Fairchild plant in Montreal, or at any other place; I do not pick out that one particularly? When they have to take on new hands, is the price of their commodity raised? Yes, it is raised, not by $1,000 a plane but by much more than that, due to the extra cost of this green labour they have to train. I am not complaining about that; but I do say that if industry is to be treated in that way, surely there is an obligation upon the Minister of Agriculture to see that agriculture is treated in exactly the same way. That is not asking too much. I do not see what objection the other members of the cabinet could have if the Minister of Agriculture were to say: We are not asking any favours for agriculture; we want it placed on exactly the same footing as other essential industries. No logical, sane individual, even though he happens to be a cabinet minister, could possibly object to that. Is it not discrimination to the *n*th degree when we ask the farming people to pay double the wages they have been paying, yet say that they dare not add that increased cost to their cost of production, and that we will not compensate them in any way for it?

As a result of the labour condition that existed last year, farmers were not able to have their grain threshed, and in my district, owing to mice, they suffered a definite loss of ten bushels to the acre. Why? That was no fault of their own; it was partly due to the weather, but it was partly the fault of the Department of Labour, because the farmers did not have the help they needed. If an industry in this country is held back through no fault of its own, that extra cost is immediately added to the cost of production. We never ran across an industry in all of Canada that had to stand those losses, and moreover we did not run across one instance in all our travels across the country last year in which an industry was even asked to stand that loss. It was a foregone conclusion that all these added costs were to go into the cost of production, and then, in addition, industry is given what it considers a reasonable profit. Surely it is not asking too much to say that agriculture should be treated in exactly the same way. It is not a case of pleading for agriculture; it is a case of stating the facts, and hon. members of this house should demand of the government that this be done.

Mr. DONNELLY: I wish to say a word in regard to the farm labour situation. I come from a constituency in which the only industry is farming; there is no other industry at all, only the small villages which exist to meet the convenience of the farmers. While labour is not abundant in my constituency, still there is no labour shortage. The farmers all have their crop in again this year. It is true that last year we had a big crop and

we were not able to get it all harvested, but that was not on account of any shortage of help. There was plenty of help; people were walking the streets, unable to get any work, and that condition was owing to the weather. During the month of September we were able to work on the land for only four days; the rain prevented us from doing any harvesting. During the month of October we were able to use a combine for only eight days, and the result was that our crop was left on until this spring. But some weeks ago all our crop was in, and it is looking well; there has been plenty of rain.

I wish to say also that throughout my constituency there will be found very few boys remaining on the farms. They are practically all somewhere in the forces, in the army, the navy or the air force. The only boys left there now are not able to go into the forces on account of their physical condition. Most of our boys were volunteers, and I do not think it is fair or right for the hon. member for Bow River to say that these young men enlisted because they were afraid they might be conscripted. The boys in my constituency did not enlist for that reason; they enlisted of their own accord. They were not afraid of conscription or anything else. Many of them enlisted long before they became twenty-one years of age, when they might be conscripted. Many of those boys who volunteered have gone overseas, and they are there willingly, not because they were afraid of anything.

Farming conditions in western Canada are now quite different from what they were. When I went to western Canada and was farming in the district of Abernethy, when we would farm a half-section of land, 320 acres, we would put about 200 acres in crop and would summer-fallow 100 acres. In the spring of the year a man would have to hire another man to help him. He would get his crop in, and then summer-fallow his own 100 acres himself. When the fall came he would have to hire another man to do the stooking, and half a dozen or a dozen men would come in to help him take it off and thresh it.

To-day farming conditions in the district I come from are the very opposite. We can now farm two and a half sections, 1,600 acres, with just as little farm help as was required on half a section some years ago, and we can do the farming in the same time. We take 1,600 acres to-day, and pay a man to work the combine. We seed 800 acres, and one man can do it all. When he has done the seeding he turns round, takes off the seeding attachment, uses the one-way and summer-fallows the other 800 acres, keeping it black all summer. When the crop is ready to harvest, a man is hired to run the combine and another to drive the truck. They can take off a crop that required ten or twelve or fifteen men in earlier times.

To-day we do not have those big harvesting excursions coming from eastern Canada that we had years ago. Any who came into my district last year were not needed.

Mr. JOHNSTON (Bow River): Why did you not get your crop harvested?

Mr. DONNELLY: On account of the weather. That is the same reason why many people in eastern Canada have not been able to put in their crops this year—the weather. If they were able to get to work on the land for six days, they would get their crops in. But where you can work for only one or two days in a week it is a different proposition. It is the same way with us. We had adverse weather conditions. If we had had more combines, then in the days we could work we would get more off. But men were no help to us. We wanted machinery. We want weather; and if we do not get the weather, and enough machines to take off the crop, then it cannot be taken off; that is all there is to it.

Mr. McIVOR: Cannot the government do anything about the weather?

Mr. DONNELLY: Sometimes we think it should. It is nice to have the weather with us, anyway.

Mr. PERLEY: The hon. member might be a good minister of weather.

Mr. DONNELLY: The hon. member for Bow River has referred to bonuses, and has said that the bonuses were not satisfactory. I want to say to him that I lived in a district where for ten years we had no crop, and almost ninety-nine per cent of the farmers were on relief. It was God's blessing when we got off relief and received the bonus.

Mr. JOHNSTON (Bow River): You should have farm insurance, not a bonus.

Mr. DONNELLY: We received the benefits of the Prairie Farm Assistance Act, which is a sort of insurance against crop failure.

Mr. JOHNSTON (Bow River): What we should have is complete crop insurance.

Mr. DONNELLY: That was one of the best pieces of legislation for the farmers of western Canada ever passed by this House of Commons. And I defy the hon. member, or anybody else, to go into my constituency and tell my people it was not.

Mr. JOHNSTON (Bow River): I would be delighted to.

Mr. DONNELLY: Come on and tell them, and see how you will be received.

Mr. JOHNSTON (Bow River): I probably will.

Mr. DONNELLY: They believe it was the best piece of legislation ever put on the statute books as insurance against crop failure. A man does his work, puts in his crop; then Providence is against him, and he gets nothing. It is not his fault. This is some sort of insurance against that very thing. The Prairie Farm Assistance Act does relieve the burden, a little. Nothing had a greater effect in undermining the morale of our people in western Canada than had relief. This is one method whereby the necessity for relief is lessened, and we are getting away from it.

Mr. JOHNSTON (Bow River): A poor method.

Mr. DONNELLY: It is for the poor man, or the rich man, or anybody else.

Mr. JOHNSTON (Bow River): I said it was a poor method.

Mr. DONNELLY: The big farmer suffers the same as anybody else. It is just as bad for him as it is for the other man.

Then the hon. member for Bow River mentioned a while ago that wages in industry had increased, but that farmers are not being treated in the same way. I suppose my hon. friend is a wheat grower, and he surely knows that in the last three or four months the price of wheat has gone up over ten per cent. Surely he knows that the price of wheat is now $1.01 or $1.02 a bushel, whereas not long ago it was only 90 cents. If that is not operating on behalf of the farmer, the same as it is for industry, I should like to know what it is.

Mr. PERLEY: Why has it gone up three cents in the last three days?

Mr. DONNELLY: Some hon. members have been asking that the grain exchange be closed. What will they do when it comes to that? If the grain exchange had not been open we would not have known that the price was $1.01 or $1.02.

I do not intend to take up the time of the committee any further. I wish only to say this, that so far as farming conditions in western Canada are concerned this year, we still have plenty of help in the section of the country from which I come. We have our crop in, and we will take it off.

[Mr. Donnelly.]

Mr. ROSS (Souris): I had not intended to say anything about man-power, because I have said something about that already. But when the hon. member for Wood Mountain was talking about that one-way seeder attachment I was wondering how he was going to fill the bacon and dairy quotas. I happen to live in western Canada, and I am sorry to say that in my constituency we have a distinct labour shortage. We do operate more than the one-way and a combine, and I think that condition prevails throughout most of the area where diversified farming is practised. I know something about the conditions which prevail in my hon. friend's riding, and I think what he said is correct, so far as it applies to that part of the country. But that certainly does not prevail throughout western Canada. I am sure the Minister of Agriculture would not say he was satisfied with that kind of production.

Mr. DONNELLY: I did not say that was the only thing we did.

Mr. ROSS (Souris): The hon. member was not able to say much else, either.

Mr. DONNELLY: My hon. friend might be surprised at what I might say.

Mr. ROSS (Souris): I do not wish to repeat any argument that has been made, both at the last session and at this one, as to the condition agricultural producers face to-day. I am sure we expect a greater effort on the part of the Minister of Agriculture in this respect. Not long ago I said we were going to get our crops in, but I did not know how we would take the hay off, and the other crops in the fall.

It is a sad picture to go to some farms in my constituency and see old people looking after the stock, and the conditions under which they are carrying on to-day.

I have another point to bring before the committee, although it may not be quite in order. The committee on agriculture was not called until June, but in the past two days it has held meetings while the house has been in session. At one of the first meetings I said that when the chairman of the wheat board was here I would wish him to make an explanation of the statement made by the Minister of Trade and Commerce respecting durum wheat. The other afternoon I happened to be in the house when that particular matter was explained before the committee on agriculture. I raised the question next day, and the chairman, for whom I have great respect, said that the chairman of the wheat board had made a very full statement, one

which he felt would satisfy me when I read it in the proceedings of the committee. I received a copy of those proceedings this afternoon, and I wish to assure him that the statement did not satisfy me, at all. In fact, it is not as full a statement as the minister made on March 29—and that did not satisfy me, either.

Since then I have received a return dated April 14 as to the total acreage of durum wheat grown in Canada in 1942. There were some 259,000 acres, with a yield of 6,800,000 bushels. The amount of the 1942 crop marketed from August 1, 1942 to May 1, 1943 was 2,578,000 bushels. The amount exported in the same period was 526,000 bushels.

I have a return dated April 1, asking for the number of macaroni manufacturing firms in Canada, and I find that in 1941 there were twenty such firms. The total amount of flour used annually for macaroni is forty-six million pounds, which is less than one million bushels of durum wheat. Of the 1942 durum wheat crop, over two years' supply for macaroni had been delivered, and exports had been made during that period when the minister made the statement on the last day of March. According to the facts we are able to obtain, the percentage of durum wheat available over annual requirements is just as great as that of hard wheat. I know it is stated by the officials of the board that the reason for the recommendation to the government was that durum wheat delivered under the quota had been pretty well exhausted and that, in view of the prospect of meat rationing and the necessity of the encouragement of the use of other foods, it was recommended to the government that durum wheat, which is not used for bread making but entirely for the manufacture of macaroni and other allied products, be delivered irrespective of the quota.

During the interval I have checked things in my constituency which is in southern Manitoba, and I have found that the producers there have grown considerably over 12,000 acres of durum wheat and have received a return of some 300,000 bushels. When the statement was made at the end of March, over three-quarters of that durum wheat had been marketed and there was very little left. The fact that this statement was made has created quite a change in seeding operations in southern Manitoba. This is directly the responsibility of the Department of Agriculture which has to do with matters of production, and since the Minister of Agriculture is a member of the wheat board, along with the Minister of Trade and Commerce, the Minister of Mines and Resources and the Minister of Finance—

Mr. GARDINER: The wheat committee, not the wheat board.

Mr. ROSS (Souris): I mean the wheat committee of the cabinet. I think the minister should enlarge upon the statement which was made. It does not bear out what we were given to understand by the Minister of Trade and Commerce, and the great bulk of this durum wheat is produced in southern Saskatchewan. I am sure the Minister of Agriculture is conversant with the whole picture. We may not have another opportunity to take up this matter before the seeding operations of 1944 are under way. We may be able to make a statement on the speech from the throne, but I doubt if we shall be able to go into this matter and question officials before it is too late next spring. I think the minister should enlarge upon the reasons for issuing this order, because the facts I have been able to obtain from the returns placed before the house do not bear out the situation as pictured by the Minister of Trade and Commerce.

Mr. GARDINER: Replying to what has been said by the hon. member for Souris, I can only say that the matter to which he has referred would be dealt with entirely by the Department of Trade and Commerce and not by this department. Therefore I would hesitate to attempt to make a statement to-night without the records in front of me to show the exact situation. If it is thought wise that I should do so at some later time in the discussion, I shall be glad to look up the records and familiarize myself with them, and discuss the matter in so far as it relates to these estimates.

A number of other statements have been made with regard to the situation, and I should like to say something about them. The hon. member for Bow River (Mr. Johnston) appealed to me to take some stand in connection with farm labour. All I can say to him with regard to that is that we had a discussion about farm labour back in March, 1942, when it was discussed at considerable length on my estimates, as well as at other times during this session. The figures he has quoted to the committee give some indication as to what has happened as a result of the discussions which took place at that time. As has been stated already by the hon. member for Bow River, on March 1, 1939, there were 1,080,000 male family workers on the farms of Canada. In the year following, six months of which was during the first year of the war and before we became very active in making munitions or in the enlistment of men, this number was reduced to 1,065,000, or a reduction of 15,000. In the following year

there was a further reduction of 65,000, and in the year following the reduction amounted to 90,000. That was as at March 1, 1942. It was in March, 1942, that we took action to halt the increase in the number of those who were leaving the farms, and the result was that as between March 1, 1942, and March 1, 1943, only 30,000 male family workers left the farms.

Mr. JOHNSTON (Bow River): What is the average yearly decrease?

Mr. GARDINER: I am not speaking of the average, because that does not meet the point I am making. The point is that in 1941-42 a total of 90,000 left the farms, and then, on account of the action that we took in March, 1942, only 30,000 left in the next year.

Mr. JOHNSTON (Bow River): Because the surplus had already been drawn off.

Mr. GARDINER: Not according to the argument my hon. friend was using. He was arguing that if we went on at that rate we would have all the people off the farms. We did not go on at that rate. Where there had been an increase from 65,000 to 90,000, in the following year there was a decrease to 30,000, a direct result of the action taken by the government following the discussions which had taken place in the labour committee, of which I happen to be a member.

Mr. DOUGLAS (Weyburn): That is still twice as many as before the war.

Mr. GARDINER: We had discussions early in this session, and I think every hon. member, even those on the other side, who come from western Canada, will agree that since the discussions took place early in February there has been a marked change.

Mr. JOHNSTON (Bow River): We could not stand another 30,000.

Mr. GARDINER: I am just replying to the statement my hon. friend made that the Minister of Agriculture ought to do something about the matter. The Minister of Agriculture did not wait until June, 1943, to do something about it; the Minister of Agriculture acted in March, 1942, and the government, along with the Minister of Agriculture, took action. When we were not getting the results we wanted from that action I did not remain in Ottawa; I went out to Saskatoon and met the farmers; I went to Regina and met the board. I then came back to Ottawa and placed the situation before the Minister of Labour (Mr. Mitchell), who immediately took action. I think every hon. member from western Canada on the other side of the chamber will admit that since that action was taken, the condition has been considerably different from what it was before the action was taken. I make this statement to indicate that we have not been resting on our oars in connection with this whole matter.

Referring to the other question which was raised as to whether the farmers are going to the labour bureaux when they are short of labour, I submit that nowhere in *Hansard* can it be found that during this discussion I said that the farmers ought to go to these bureaux. What I did say was that they actually do go to these bureaux. I administered the labour bureaux in Saskatchewan for five years when I was a member of that government. I know that during that period the farmers came to the labour bureaux when they were short of men, and I know they have followed that practice ever since. They have been coming to these bureaux continuously and asking for help. As for the hon. member who is just rising in his place, I am going to say something which may convince him that he had better wait until I am through.

Mr. WRIGHT: I was going to ask the minister if he had the figures of the percentage of farm help in the western provinces that is hired through the bureaux.

Mr. GARDINER: When I was west I took occasion to get the reply to the statements which were made by the hon. member for Melfort during the discussions which we had some three weeks ago. I got the report on his own municipality, and I found that, according to the statement of the secretary-treasurer—

Mr. WRIGHT: What municipality is that?

Mr. GARDINER: The municipality in which my hon. friend farms. He knows the name and number better than I do.

Mr. WRIGHT: I doubt if the minister knows it.

Mr. GARDINER: I have the record, and I can place it on *Hansard* at any time. But my hon. friend knows what municipality it is.

Mr. GRAYDON: It is not far from Tisdale, anyway.

Mr. GARDINER: It is not very far from Melfort. The facts are these, that 150 or 151 men were placed in that municipality by the individual there who acted on behalf of those who were taking care of employment in Saskatchewan. The statement which was made here was that men were asking $100 a month, and I took it from what was said that some of them were getting it. The information I got from the records was that one man had been paid $85; that that one man was an expert operator of a tractor, and that the man

who employed him was quite satisfied to pay him $85; he wanted this man for employment. Then I got the further information that a number of others were paid $75 as operators of tractors, but that the general wage paid in that municipality for farm labour was from $60 to $70 a month. That is a fairly high wage, and I would not try to build an argument on the supposition that $60 to $70 a month for farm labour in western Canada at present, and more particularly in Saskatchewan, is not a fairly high wage under all the conditions.

An hon. MEMBER: And board?

Mr. GARDINER: And board, yes. But I would say this, that if a farmer is going to hire a man for only the two months during which he is busy seeding, and then is going to let him go, and hire another man for two months while he is harvesting, the story is entirely different from simply saying that a man is getting $60 or $70 or $85 a month to do a particular job. If he is to be hired through the whole summer he might be paid one wage; if he is to be hired through the whole year he might be paid another. But simply to rise in the house and say that somebody was paid $100 or $85 does not prove anything in connection with this discussion.

Mr. WRIGHT: If I might correct the minister, I did not state that any man was paid $100 a month. I said the man was hired at $75; he asked $85 after working for two weeks, and the farmer agreed to give him $85; when he increased his price and wanted $100, the farmer refused to hire him at that figure. That is the statement I made. The minister has not yet answered my question as to what percentage of the farm help hired in the western provinces is hired through the employment bureaux?

Mr. GARDINER: It is not a question of the percentage hired through the bureaux. I know that percentage is low. The average farmer in western Canada, like the average farmer in eastern Canada, hires his help without having to go to the employment bureau at all. It is only when he is finding difficulty in obtaining help that he goes to the employment bureau. But if, after all those have gone to the employment bureaux who have felt inclined to go, the results are as indicated by the figures I put on *Hansard*, those figures do not indicate any great shortage of labour in the particular area covered by those figures, and that is all they were intended to indicate. When we go beyond that, I think every hon. member will admit that there are farms all across Canada upon which there is a shortage of labour, and the fact that any hon. member gets half a dozen or a dozen letters in a week indicating that there is a shortage of labour on some farms is something to be expected. We have in Canada 750,000 farmers. If out of those 750,000 some few thousands are short of labour, letters will come to hon. members from those who are short of help. But I must say that, of the letters which I get with regard to shortage of labour, by far the greater number come from people whose sons have volunteered either for the armed services or for some work in munition plants or in shipyards or somewhere else; and there are a certain number too who write in on account of something which has happened in the calling up of men which is not fully understood, and about which sometimes action has been taken that should not have been taken. But I repeat what I said the other night, that by far the greater number of the cases which come to me, even yet, deal with situations which were created before the first of February last. There is the occasional one which was dealt with after that date, but that is not true of much the greater number. I quite agree that hardships are brought about by situations such as were outlined by the hon. member for Bow River. Any man who was put on a ship and sent to Britain after being fully trained must have been in the armed services before the first of February last, and was there under the conditions which existed before the last action was taken by the labour department to deal with them.

I must say, too, that a certain percentage of letters which I receive come from people who have been doing more than the country expected of them in connection with the prosecution of the war, and doing it conscientiously. For example, two or three days ago I had a letter from a woman in Saskatchewan whom I know very well, calling my attention to the fact that her son had enlisted very early in the war and was still in the service. She called my attention to the further fact that she and her husband over a considerable period of years have not been in good health —which I also know to be true—and then she says "Our son thought that he could go over with a group of other men and clean up this fellow Hitler, get the war over and come back here to work," but, she said, "it is taking much longer than he thought. It is now going on four years, and he is still away, and we are unable to carry on longer." Well, I did what other hon. members do; I sent the letter to the military people; they have taken it up, and I am quite satisfied that in cases of that kind action is taken, and has been taken

regularly ever since the war started, in order to deal with such situations and make it possible for men who are in the army under those circumstances to go back to the farms and give assistance.

However, after all these individual cases that we can bring up have been dealt with, a very large proportion of the 750,000 farmers have made no complaint whatever. If the facts were otherwise, the situation would not be what it is to-day. I have here the last figures in connection with production and the storage of farm products. They are not yet in print; but they indicate, as all the figures down to the present have indicated, that there is not this reduction in the production of farm products which is hinted here in practically every speech delivered by those who are critical of the present position.

In cheese there is a reduction in production; but in milk there is no such reduction and, after all, the foundation of all production of dairy products is milk. So that if more milk is being produced this year than last year or the year before, we are certainly not going down in our production of that particular product. There is more whole milk being consumed in Canada to-day than at any other time in our history, and the consumption is going up day by day. There may be reasons why the government might want to change that; but if they did attempt to change it, I am sure that everyone who is trying to do something to assist in seeing to it that our people, and more particularly our children, are better fed, would immediately complain about our attempting to cut down on the consumption of milk in order to get an increased production of something else.

However, in spite of the fact that cheese production is down this year as compared with last year, it is not down as compared with any other year recently in our history apart from last year; and in spite of the fact that our production is down, our exports are higher this year than they have ever been in any year since the war started. In other words, if what my hon. friend the member for Bow River is concerned about is the feeding of the British people, we are still sending them more food each year than in the previous year, and that applies not only to cheese but to pork products. And we are making preparations for sending beef, which we have never sent since the war started. We are sending, and have available, more wheat than we have been called upon to send previously. And so on. I could go through the whole list.

I say this in order to point out that the statements which were made continuously, and which were called to the attention of the house the other night by the Minister of Labour, have no foundation at all in fact. The hon. member for Lethbridge was holding forth on his fear that we would have shortages, and the Minister of Labour said, where, or what does he mean by shortages? If I remember the words of my hon. friend, they were to this effect: If the minister does not know what I mean by shortages, then I am not able to tell him.

His next question was, do you expect us to feed all the Chinese people? Well, now, that question was a reasonable one. Most of the discussions that are going on with regard to a possible shortage of food in Canada are related to the feeding of the whole world, and I do not think anyone in this house or in this country, who is well informed, will take such a ridiculous position as to maintain or try to maintain that a country with eleven million people, even if they were all farming, could feed even those people in China who are suffering at the present time as a result of lack of food. We are attempting to send food over to Britain in a volume which will be sufficient to keep the British people and the armed forces working out of Britain supplied with food.

Someone—I believe it was the hon. member for Bow River—said that, if necessary, we should ration ourselves down to the point where we are going short in order to save the people in Britain from going short; and that is exactly the policy the government has been following ever since the war started. From time to time we have found it necessary to ration, but I am afraid that members in this house, on account of the fact that we have never been short of anything, have an entirely wrong idea as to what rationing is put into effect for.

Britain rationed cheese last year in order to try to increase her consumption of cheese. She put the ration up to the figure of eight ounces in an attempt to get it up to eight ounces, but it only went to five ounces.

Mr. JOHNSTON (Bow River): Is that what we are doing here? Does the minister suggest that?

Mr. GARDINER: It might be a good thing to do it with some products which we have rationed and are now piling up in this country.

Mr. JOHNSTON (Bow River): I was just asking for information.

Mr. GARDINER: Let me answer my hon. friends in the words of the hon. member for Lethbridge. If he does not understand it after the number of times I have explained it in the past, I am sure my explaining it again would not help him. The situation is simply

this, that ever since this war started we have been giving Britain all the food that we could possibly give her and at the same time keep our people fed with the minimum they require. In 1941, for example, we took all the cheese off this market during the summer months and sent it to Britain and told our people to eat something else, and they ate something else and had no difficulty in finding it.

Every year since the war started we have said to the farmers, "We do not want you to produce more butter than the people here eat", and down to last year they produced a little more than the people wanted and last year a little less than they wanted to eat, and accordingly we rationed butter. This year we have a greater amount of butter in storage than we have had over a long period of years, some four million pounds more than we had over an average of five years preceding 1940. In other words, the situation has righted itself in a very few months so far as butter production as compared with consumption is concerned. We can right any situation that may be created in connection with food in this country, so long as the situation is as it has been since the beginning of the war.

Something was said with regard to prices. It was said that we should have better returns. We have had increased returns from the production of munitions and machines of war; the companies that are producing these things have increased returns. I am not going to try to convince members of this house that farmers are getting all they ought to get in the way of prices for farm products. I do not know that anyone gets all he ought to get during war time; and if anyone is getting all he ought to get in ordinary peace times, then somebody ought to do something about it and see to it that at least we all make sacrifices during the war.

Let us look for a few moments at prices. Take butcher steers at Toronto. In 1939 the price was $6.77 per hundred and in 1942 it was $10.29 per hundred. Figure that increase, from $6.77 to $10.29. And the average of the years from 1926 to 1929 was $9.04.

Mr. BLACKMORE: The minister must, of course, make allowance, and I think he gladly will, for the fact that in 1939 the farmer who was going to feed would pay a lower price for his beef before he started to feed, whereas in the fall of 1942 he would pay a high price, and his actual returns from feeding in 1939 might be greater than his returns in 1943.

Mr. GARDINER: I agree. I have all the prices here and I can quote them to show the relationship. But my hon. friend, who comes from an area where they feed cattle, knows as well as I do that when cattle are selling at present prices there is money in feeding grain to those cattle at present ceiling prices.

Mr. BLACKMORE: Provided they do not pay too much for the cattle.

Mr. GARDINER: That is a matter of choice which they make themselves.

Mr. BLACKMORE: There was no choice last year.

Mr. GARDINER: Oh, yes, there was a choice.

Mr. BLACKMORE: In my district there was none.

Mr. GARDINER: I will deal with that later.

Mr. BLACKMORE: They could not get the cattle except at a certain price.

Mr. GARDINER: The average price from 1926 to 1929 was $9.04. The average twenty-year price was $7.04, and at the present time the price for the same grade of cattle is $12.38. All I am pointing out is that the price has increased. There is no use in trying to give the impression that prices of other commodities have gone up and that prices of cattle have not gone up. They have gone up. Let us look at hogs. In 1939 the price was $8.91. The average for 1926-29 was $11.61, and the average for 1942 was $11.72. In other words, the price had gone up from $8.91 to $11.72, and it was eleven cents higher per hundred than the average price for 1926-29. That is on the Toronto market, and the other markets compare with that.

The price of cheese in 1939 was 12·7 cents, and in 1942, 21·5 cents. The average price for the four years 1926 to 1929 was 18·9 cents. In other words, the price was 2·6 cents higher last year than what we call the parity basis, and there has been a difference of 8·8 cents since the war began. The jobbing price of creamery butter in 1939 was 23·8 cents, and in 1942, 35·1 cents. The parity basis was 38·2 cents. But on top of that price of 35·1 cents is the bonus of 8 cents in summer and 10 cents in winter, which brings the return to a higher level than the parity basis.

And so on. I could go through all the prices for all the products and show that the government has not lost sight of the fact that there must be increased returns for farm products.

Mr. BLACKMORE: Will the minister deal with the price of wool?

Mr. GARDINER: I am not sure that I have that here. But I can tell my hon.

friend this, that I have the relationship between the price of wool in this country and the price in the United States, which we discussed last year, and after you have made allowance for freight and for the tariff on wool going into the United States you will find that the Canadian farmer is getting a higher return in Canada than he would get if he were permitted to sell his wool in the United States. We are paying him a subsidy on his wool, too.

Mr. DOUGLAS (Weyburn): That is on account of the duty.

Mr. GARDINER: The fact that another country puts a duty on is the reason that they have a higher price than we have. They do it to get higher prices for their own product.

Mr. DOUGLAS (Weyburn): That is not an excuse for our not having a better price.

Mr. GARDINER: It is not an excuse at all. It is a reason for our not having that higher price.

Mr. PERLEY: That is hardly the case with beef, is it?

Mr. GARDINER: There is a condition existing with regard to beef, and there is a condition existing with regard to wheat, which my hon. friend was speaking of a few moments ago. The price of wheat which prevails on the Winnipeg market is exactly the United States price less the cost of taking the wheat to the United States and after accounting for the duty and exchange. It works out to almost identically the same price that you have on the Winnipeg grain exchange to-day. And so on. You can go through all the prices. As a matter of fact, I have gone through them to try to satisfy myself to what extent we might benefit if the United States boundary were open and we could ship our products in there, over whatever obstructions there might be against our doing so. When you take into account freight, tariff and other costs, there is nothing like the advantage in the price on the other side which some of us seem to think there might be.

An hon. MEMBER: What about the price to the United States farmer and the price to the Canadian farmer?

Mr. GARDINER: You have to take into account wages, the value of the land, overhead and so many other things before you can figure out just where the two stand on different sides of the line. Wages in the United States are higher than ours in spite of what has been said here to-night, and other costs are similarly higher on the other side. I want to impress on the committee that the situation which was emphasized by the hon. member for Bow River is one to which the government has been alive for a considerable period of time, and it has been doing something about it. The results are something that we are not ashamed of, although we may not be satisfied with them. I think that is all I need say at the moment. We have had a long discussion on this whole question, and I would suggest to the committee that we might now carry the item.

Mr. WRIGHT: I wish to say just a word with regard to quotas on farm machinery and farm machinery repairs. First, however, I should like to say a word on the farm labour question which the minister has been discussing again to-night. He stated that conditions were considerably better now since last March when the government issued orders to the boards suggesting that postponements be granted to those engaged in agriculture. I think that can be said generally of the whole dominion. But I have a return here which was brought down to the house on May 31, 1943, which gives the number of postponements requested and granted between December 1, 1942, and April 30, 1943.

The ACTING CHAIRMAN (Mr. Golding): I wonder if we could not keep to this item for granting to His Majesty $130,406 for departmental administration. We have had quite a lengthy discussion of the man-power problem, and I think it would be well to confine further discussion to the item before the Chair.

Mr. DOUGLAS (Weyburn): This is a general item, Mr. Chairman, and second, the minister has discussed the whole question of man-power. You say that we have had a general discussion. Is that discussion to end the moment one of our group rises in his place?

Mr. GARDINER: If I might speak to this question, Mr. Chairman, I think all will agree that I sat here the other evening for several hours listening to the discussion of labour problems, and I have sat here and listened again to-night. But I was asked questions and was urged to rise and answer them, and I hoped that when I was urged to answer, my answer would close the discussion on this particular matter. I think considerable leeway has been allowed in the whole discussions in the two days these estimates have been before the committee, and I do not think the Chairman is suggesting anything unreasonable when he suggests we should confine further

discussion to the item. As a matter of fact this question can be discussed on another item in the estimates, but if it is to be discussed now instead of waiting until we reach that item, it will mean the discussion will take place over again later.

Mr. WRIGHT: The matter I wished to discuss was farm machinery, but first I just wanted to answer the minister with regard to the question he raised. This return shows that between December 1, 1942, and April 30, 1943, in the district of London, Ontario, 1,652 requests for postponement were made and 1,014 were granted, or 97 per cent; in the district of Montreal 5,478 requests for postponement were made and 5,461 were granted, or 99·7 per cent; in the district of Regina, Saskatchewan, 6,630 requests were made, of which 4,678 were granted, or 70 per cent.

Mr. GARDINER: What were the dates?

Mr. WRIGHT: Between December 1, 1942, and April 30, 1943. These are the latest figures available.

Mr. GARDINER: I think, Mr. Chairman, if the hon. member will look at the figures which were put on *Hansard* months before, he will find very little difference between them and the figures he is now giving. In other words when you go back to December—of what year?

Mr. WRIGHT: 1942.

Mr. GARDINER: You still have the figures which were coming along through January and that period when, as I said before, there was considerable difficulty. Many men were called up during that period who were denied postponement, but I think everyone admits that there has been quite a change from the middle of February down to the present time.

Mr. WRIGHT: This is up to the end of April.

Mr. GARDINER: If you had it by months I might be able to answer it. If you had it for January, February, March and April separately, it might indicate something.

Mr. WRIGHT: I would judge that it does indicate something, that there has been very little improvement, though I do believe the situation is rather better. However, I am not going to discuss that further at the moment.

With regard to the question of farm labour, I would suggest to the minister that larger quotas should be established in connection with new farm machinery and repair parts. We have been told lately that we have reached the peak in the manufacture of some war materials and that in some factories men are being laid off. If this is the situation, I believe the quotas in connection with farm machinery should be increased, which would be of assistance in meeting the labour problem, particularly in the west, where I know it will be critical this fall. If we could have a larger quota of combines and some of the newer types of farm machinery made available to the farmers, it would help the situation materially. So that I would ask the minister to give serious consideration to the possibility of making available more farm machinery at this time.

Mr. DOUGLAS (Weyburn): I wish to raise just one point on this general item. The minister may care to say something about it in more detail under some other item, but if I am in order I should like to raise it now. I wish to say a word about the grading of hogs. The minister may have received a number of complaints; I know that in going through the country I find that many people are perturbed over the matter of deductions in regard to hogs that are overweight. This winter I have been deluged, no doubt in common with other hon. members, with letters from people enclosing their receipt forms showing the deductions that have been made for overweight hogs. The chief complaint is that the deduction is so high for just a few pounds overweight. Farmers are not always able to ship just when they wish as a result of a number of factors into which I need not go at the present time, and when the hog is a few pounds overweight they lose $1 or $2, and, in some instances, even more. I have a number of receipts which I did not bother to bring down to the chamber; I do not think it is worth while to put them on record, for I imagine the minister has even more of them and is probably more familiar with the situation than I am. I wonder if he has given any thought to it, because in the minds of most of the farmers the conviction remains, whether or not it is justified, that this heavy deduction for a few pounds overweight is not warranted. Many of them are quite convinced, as a matter of fact, that the packer is getting it, because some of that overweight may disappear with the dressing knife; when the hogs are being dressed they can be brought within the weight limit. I have heard the suggestion, and I pass it on to the minister for what it is worth, that instead of taking off a set amount when the weight exceeds 230 pounds, as I think it is now, or 220 pounds—

Mr. GARDINER: No; it is 186 pounds dressed.

Mr. DOUGLAS (Weyburn): And 230 pounds live weight?

Mr. GARDINER: About 240 pounds.

Mr. DOUGLAS (Weyburn): The suggestion is that instead of taking off fifty cents or a dollar when the hog is overweight, it might be possible to graduate the deduction, to take off perhaps twenty-five cents for the first five or ten pounds, or ten cents a pound, or something like that, so that the farmer who has gone just a few pounds over will not have the same deduction made as in the case of a farmer who has gone twelve or fifteen pounds over. I do not know whether or not the minister has given that point any consideration, but I wish he would do so.

Mr. GARDINER: This matter has been under discussion constantly, not only since the war began but before the war. The policy we followed before the war was that of attempting to standardize our bacon so that it would compete with Danish bacon on the British market. In order to have our bacon compete with that Danish bacon we must have 200-pound hogs, not 240 pounds, and before the war we were attempting to hold the size of the hog down to 200 pounds. It was possible for a farmer to bring in a hog weighing anywhere from 190 to 220 pounds and get B-1 for it. If he had it around 200 pounds, probably he would get select for it, and receive a dollar extra instead of a discount. Since the beginning of the war, however, we have increased the weight. We are trying now to keep the weight at around 220, but we do allow them to run up to 240 and still qualify as B-1 hogs, which is the price always quoted on the market.

Mr. DOUGLAS (Weyburn): The deduction starts at 220 pounds, does it?

Mr. GARDINER: No; the deduction starts at 186 pounds dressed. If the hog is properly fed, it may run up to 240 pounds live weight and dress 186 pounds; but if it is fed in other ways, it may dress over 186 pounds without going up to the 240 pounds live weight, or it might go over the 240 pounds and still dress down to 186 pounds, depending upon how it was fed and bred. However, the general practice is to try to keep the hogs around 220 pounds, which gives a leeway of twenty pounds on either side, down to the 200 at which we tried to keep them before the war, or up to 240 pounds, to which we are allowing them to run now. I have had some experience in this connection in marketing my own hogs. The farmer says that because the hog went up to 187 pounds when it was dressed he was docked. It was not just because it went up to 187 pounds; he could have had it anywhere between 200 and 240 pounds live weight and still be given the B-1 price, or perhaps get the select price, which would mean a dollar in addition.

The question as to whether the packer or the farmer gets the dollar is not hard to answer; all one has to do is look at the record. The policy is this, that if you produce a particularly good hog you get a dollar extra. If you produce a particularly poor hog you have $1.50 taken off. When you add together all the dollars that are paid the farmers and add together all the deductions at $1.50 taken from the farmers they just about balance each other. In other words, they are making the man who produces a poor hog help to finance the man who produces a good one, with the idea of encouraging the farmer to produce good hogs instead of poor ones. That is the general policy. It is not a matter of the packer getting more. He would be much better off if every farmer produced select hogs, and so would everyone else.

As to whether or not this is a proper policy, all one has to do is look at the records across Canada and see how the standard of hogs has been improved during the period of years the policy has been in effect. Since the war started, we have been allowing the hogs to get heavier and heavier, as I have indicated. Only last week I had a report on conditions in the British market, to the effect that during the last twelve months, by allowing these increases in weight, we have greatly reduced the standard of the bacon reaching England as compared with the Danish bacon with which we must compete when the war is over. They raised another complaint as well; they said apparently our plants have not the efficient men doing the cutting that they had previously, because quite often they find a slash in the bacon that should not be there, or other marks which indicate that the men doing the work now are not as expert as those who were doing it before the war started. In other words, the experts have gone to other work, where they can get higher pay. That all indicates that we are slipping in the standard of the bacon we are sending over to Britain at the present time. If we keep on slipping until the end of the war, and are not able to raise our standards again, before the Danish people are in a position to come into the market with their product, we shall have difficulty in continuing to hold our market in Great Britain. That is the only question involved in the matter.

Mr. COLDWELL: Has the minister overcome the difficulty in connection with salting?

Mr. GARDINER: We have to salt more on account of the fact that we cannot always get the ships properly refrigerated to take the product over. We have to put in special refrigerators in the holds of ordinary boats, and we have to use more salt in order to keep the product in good condition until it arrives at its destination.

Mr. COLDWELL: And that is reducing the standard.

Mr. GARDINER: Yes; it does reduce the standard.

Mr. PERLEY: There is an item under which the subject of the marketing of live stock can be discussed. We wish to make some progress in committee. This is the second Friday on which we have discussed the first item. The minister has allowed us considerable leeway, and we have discussed about a thousand different farm problems under the item.

I know there is a shortage of farm labour. Even since last Friday I have received several letters pointing out that difficulty. I know of one instance where a farmer of sixty years of age lost his life because from trying to do a little extra work he caught cold, which developed into pneumonia.

The subject of man-power was discussed when the matter was raised by the hon. member for Témiscouata. The Minister of Labour will be before the committee in a few days, and the discussion will be repeated. I think we have heard enough. All hon. members know there is a shortage. From what the minister said to-night it would appear that since February the situation has somewhat improved. I would suggest that we discontinue our discussion of the labour situation, and go on with the items in the estimates.

Mr. WEIR: I was on the point of raising a matter of procedure. I would be one of the last to attempt to interfere with the consideration of any subject by hon. members opposite. To-night a matter was raised by the hon. member for Souris, and then we heard a reference to the farm implement and repair situation, followed by a discussion of hog grading. My point is that the matter raised by the hon. member for Souris was discussed in the committee to which it was referred.

Mr. ROSS (Souris): I pointed that out.

Mr. WEIR: I raise the second point of order, that the subject of farm machinery is in order of reference already before the house. True, it has not been passed, so that I do not suppose any point of order can be taken with respect to it. But with regard to hog grading, I submit that it should be discussed under item 28 in the estimates. If we are to make any progress we must get down to a consideration of the individual items; otherwise we shall have a repetition of discussions.

Mr. DOUGLAS (Weyburn): Did I understand the hon. member for Macdonald to suggest that any of the items which will later be referred to the committee on agriculture cannot be discussed in committee of the whole? If that is his opinion, he is entirely in error. The terms of reference the house may give to the committee on agriculture do not preclude the house from discussing the items in either committee of supply or committee of the whole.

May I thank the minister for his answer respecting hog grading. He did not say anything about the possibility of taking a 25-cent deduction for each pound above, say, 186 pounds. If a man had a deduction of two pounds it would be fifty cents, and three pounds, seventy-five cents, rather than $1.50 for being one pound over.

Mr. GARDINER: We gave twenty pounds leeway.

Mr. HANSELL: I shall not hold up the item unnecessarily, but I notice there is an amount of $2,000 for motor car allowance. I do not object to that. But do I understand that that $2,000 is exempt from income tax?

Mr. GARDINER: I think it is.

The ACTING CHAIRMAN (Mr. Golding): This item is statutory, and should not be discussed at this point.

Mr. HANSELL: I am not objecting to it. I think the minister should have a car. But what I wish to say—and I am going to be a bit bold about it, because no other person seems to have been bold enough to have mentioned it—

Mr. COLDWELL: Perhaps it could be done again under another item.

Mr. HANSELL: Perhaps my hon. friend does not know what I am going to say. I would point out that there are other people who have to run cars, too. Those other people include members of parliament. I do not know for what purpose the minister uses his car, nor am I particularly concerned. But I will guarantee he does not travel any farther on government business, with his car, than I do on parliamentary business with my car. I represent a large constituency, and I am not the only hon. member representing a large constituency. A great deal of the travelling

done by members of parliament is done because they are members of parliament, and must appear at farmers' conferences, municipal meetings and the like. One may receive a telephone call to come right along to attend a victory loan meeting, a Red Cross meeting, or a hundred and one other things.

Mr. MacNICOL: And we would not mind doing it if we could get the gasoline.

Mr. HANSELL: I do not suppose there is a western member who does not spend at least a thousand dollars each year on his parliamentary expenses.

Mr. GARDINER: If my hon. friend is going to make a speech, I must point out that Mr. Chairman's ruling was absolutely correct. This is statutory, and is not in the item.

Mr. HANSELL: I make that protest, and if I am allowed to go on I might be able to save the minister some expense. That is the situation, just the same, and I must protest against it. We are reaching the point where the poor man will never have a chance to represent the people of Canada in parliament. That is the fact of the matter. If we are to fight about this, I must say that I am not in favour of the passage of the estimate. If it is to be statutory, all right. But the matter should have some consideration by those in parliament holding responsible positions.

Mr. DOUGLAS (Weyburn): Would the minister explain the increase of $4,848?

Mr. GARDINER: That is covered by cost of living bonus, contribution to unemployment insurance and some increases in temporary salaries.

Mr. DOUGLAS (Weyburn): Any increase in the size of the staff?

Mr. GARDINER: No; on temporary salaries.

Item agreed to.

Administration service.

3. Advisory committee on agricultural services, $1,680.

Mr. PERLEY: What is the function of this committee?

Mr. DOUGLAS (Weyburn): Could the minister give us the personnel?

Mr. GARDINER: This is an advisory committee. I understand that the secretary has joined up, which accounts for the decrease in the vote. The committee is made up of Doctor H. Barton, deputy minister of agriculture; E. S. Archibald, director, experimental farms services; A. M. Shaw, director, marketing services; J. M. Swaine, director, science services; G. I. Christie, president, Ontario agricultural college; W. R. Reek, deputy minister, Ontario department of agriculture; L. P. Roy, deputy minister, Quebec department of agriculture; Robert Newton, national research council; L. C. McOuat, general agricultural agent, Canadian Pacific Railway Company; H. L. Trueman, assistant director, science services. They are all men who are drawing salaries from either provincial governments or corporations; we just pay the expenses.

Mr. DOUGLAS (Weyburn): How often did they meet last year?

Mr. GARDINER: They did not meet last year.

Mr. DOUGLAS (Weyburn): Is that why the item is reduced?

Mr. GARDINER: The secretary is not on the job at the present time. They may not meet this year.

Mr. GRAYDON: Has this advisory committee made a report?

Mr. GARDINER: The national advisory committee usually meets twice a year and has been in position to consider proposals that have been made either by its own members or by others connected with different phases of the work. They have made reports, but during this last year, largely on account of the conditions under which we have been working, they have not met.

Mr. GRAYDON: If the committee makes a report, I suppose it could be tabled?

Mr. GARDINER: I would think so.

Mr. DOUGLAS (Weyburn): Was any money spent under the item last year?

Mr. GARDINER: Just a small amount for travelling expenses.

Mr. DOUGLAS (Weyburn): The committee did not meet last year, and it is not expected they will meet this year?

Mr. GARDINER: I imagine that we shall probably not appoint a secretary to take the place of the man who is in the services; but if the war were to end and we put this man back in this position, we would likely go on with the work.

Mr. BLACKMORE: Could the minister give one instance where this committee has given him advice?

Mr. GARDINER: On one question in which my hon. friend is very much interested, wool and sheep and beef and things of that kind.

Mr. BLACKMORE: Did they have anything to do with recommending the present price of wool in Canada?

Mr. GARDINER: No; that was decided by other authorities.

Mr. BLACKMORE: If they made that recommendation, I say it would condemn them.

Mr. DOUGLAS (Weyburn): It seems rather absurd to be passing this item, even though it is only for $1,680, if the committee does not intend to meet.

Mr. GARDINER: I would not say that they do not intend to meet, but it is possible they will not meet. It is only a small sum of money voted for the purpose of calling them together.

Mr. DOUGLAS (Weyburn): In war time I think the need would be greater.

Mr. GARDINER: If they do not meet, we shall not spend any money.

Mr. DOUGLAS (Weyburn): If the committee was any good in peace time, it certainly is more necessary now.

Mr. GARDINER: Most of the gentlemen on the committee are in the building in which I am located, and others are members of the bacon and other boards and are advising us all the time in other directions. It may be necessary to call the committee before the year ends.

Mr. BLACKMORE: Does the minister select the personnel of this committee?

Mr. GARDINER: I have the final say, but I would consult quite a number of people before signing my name to the appointments.

Item agreed to.

Administration service.

4. Contributions to empire bureaux, $36,407.

Mr. COLDWELL: Is this work being carried on during the war? I am not criticizing the appropriation, but I should like to know if it is being used. Personally I think we should spend a great deal more than we do on this sort of thing.

Mr. GARDINER: They are functioning in Britain as they were before. There is probably more benefit to be gained from their functioning owing to the experience they have had. One bureau, the Farnham House laboratory, has been moved over here because they can function better on this side. This covers only our contribution, because the expenses are paid by governments in different parts of the world, mostly empire countries.

Mr. BLACKMORE: What are the names of the various bureaux?

Mr. GARDINER: Farnham House laboratory, imperial agricultural bureau, imperial bureau of entomology and imperial bureau of mycology.

Item agreed to.

Science service.

8. Botany and plant pathology, $312,520.

Mr. BLACKMORE: Can the minister tell us of any discovery made under this vote which would justify it?

Mr. GARDINER: The hon. member is not covering all the field in which this particular branch operates. It is engaged in the study of plant diseases across the country and in the fighting of plant diseases. It would be hard to say that, under this particular vote alone, we have discovered something, that rust or something of that sort exists in a certain area, that we have found that a certain parasite is preying upon plants in other areas.

Mr. COLDWELL: I was going to ask the minister if in the scientific field he is able to retain the staff he had before, or are changes occurring? I sometimes think that, compared with industry, particularly in its scientific branches, the men who are doing these jobs for us in nearly all our government bureaux are not receiving salaries that are commensurate with those paid by private industry for the same kind of service. I was wondering whether the war was having any effect upon the staffing of these various scientific organizations.

Mr. GARDINER: Our losses up to date have been entirely through enlistments.

Mr. COLDWELL: You have not lost any to private industry?

Mr. GARDINER: We have not lost any, or very few in any event, to private industry. Of course the type of work that is done here probably does not employ exactly the type that the hon. member has in mind.

Mr. COLDWELL: No; I realize that.

Item agreed to.

Science service.

9. Agricultural chemistry, $102,881.

Mr. DOUGLAS (Weyburn): This is the item, I imagine, on which the whole question of chemurgy would come up, the use of agricultural products for industrial purposes. Has the minister any statement to make as to what research is being done by the department along these lines? Some sensational results are being obtained in the United States, where they are producing grain alcohol, and from grain alcohol synthetic rubber, and also plastics, wall board and many other commodities for industrial purposes. What work is being done by the government along that line, and is any attempt being made to work out plans for post-war use of agricultural products in industry? The people on the prairies are very much interested in this question, because we recognize that after the war, if western Canada is to have a stable economy, she must develop industry, and she can only develop industry along chemurgical lines whereby agricultural products can be used to build up some of the products in industrial demand. Early in the session the hon. member for Moose Jaw made an excellent speech on chemurgy. I understood from his speech that he was planning to move an amendment asking for half a million dollars for research to be carried on along these lines. I do not know whether he intended to move it in connection with this item or another one, but I hope he has made representations to the minister, because I know his suggestions received wide acclaim throughout the west. I hope the fact that he is becoming a rear admiral or taking an active interest in the navy is not causing him to lose interest in this particular subject.

Mr. GARDINER: The question which has been raised has been discussed, of course, from time to time. I do not know that this item is exactly the place to discuss it. The director of experimental farms, Doctor Archibald, is chairman of the chemurgy committee, and much of the work having to do with the possible production of rubber in Canada is carried on at the experimental farms. It would relate largely to the production of plants such as the plant which is utilized in Russia for that purpose, the producing of them on our experimental farms and trying them out; also whether it would be an advantage to attempt to make rubber from wheat through the production of alcohol, and whether we should pursue other systems of producing it if we desire to produce it in this country at all.

The question whether we should have money for this purpose has been up every year since the war started; that is, we did not wait until the matter was raised in the house to discuss it in council and among the different departments of government; we have been discussing it constantly. But much of the information which could be made available in connection with the question is available to us at present from the United States. Our people are working in cooperation with the Americans in the production of synthetic rubber. Any information they have is available to us through the proper officials of a different department, not the Department of Agriculture. They are working along with the Department of Munitions and Supply, and our national research council, which operates in the Department of Trade and Commerce, is carrying on research work in connection with this matter and has done so for many years. Any information which one has the other obtains and utilizes it for the purpose in hand. But I would suggest that, if this matter of rubber and the possibility of the production of rubber is to be discussed, the better place to discuss it would be upon the experimental farm estimates, because the farms are doing some work which may be helpful in this direction, and if any sum were to be brought forward at any time for the purpose it would be to implement those estimates.

Mr. JOHNSTON (Bow River): Has the minister the information so that it can be discussed under those items, or should it be discussed under Munitions and Supply, or Trade and Commerce?

Mr. GARDINER: In view of what is being done, it certainly should be discussed under Munitions and Supply. There is a statement published which is being sent out to those who are sending in resolutions with regard to it.

Mr. JOHNSTON (Bow River): As it relates to wheat?

Mr. GARDINER: I think it would be better to discuss it all in one place, and the better place would be when we have the experimental farm service estimates before us. As I have said, Doctor Archibald is in charge of experimental farms and is also chairman of the chemurgy committee which is studying the question from every point of view. I think that if we discuss it while he is here we would be more in order and would get more information.

Mr. PERLEY: Has the minister any idea under which item the hon. member for Moose Jaw was going to bring up the matter?

Mr. GARDINER: I think that likely if it is brought up, that is if sums were voted, they

would have to be voted under supplementaries. I can say to the committee that the question has been under discussion every year since the war started, and after discussing all features of it in past years we have not brought an estimate for the purpose, for the reasons I have just stated, that there has been made available information from elsewhere, where much more has been done than we can hope to do in the years while the war is on.

Mr. COLDWELL: Is there anywhere that the hon. member for Moose Jaw could raise the question for the purpose of the extra $500,000 item being appropriated?

Mr. GARDINER: He could probably raise it and say that he is in favour of it, just as many things have been raised to-night.

Mr. GRAYDON: Did the hon. member for Moose Jaw, when he made that statement, accurately reflect the views of the administration?

Mr. PERLEY: Some of us thought of it, but we did not care to advance it for fear it would not get the same encouragement it might be expected to receive if it were proposed by the hon. member for Moose Jaw.

Mr. EDWARDS: It is a fact nevertheless that in the United States the federal department of agriculture have set up four experimental laboratories across the country to deal with the question of the possibility of using agricultural products for rubber. Apparently we in Canada have done nothing along similar lines. Is it felt that we shall get the benefit of the research work of the United States department of agriculture, and that there is no necessity for us doing anything here? As I appreciate the policy over there, those laboratories are set up purely and simply looking at the question from the point of view of agriculture rather than from that of industry.

Item agreed to.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Monday, June 14, 1943

The house met at three o'clock.

FOOD CONFERENCE

PROBLEMS CONSIDERED AND PROGRAMME FOR FUTURE ACTION—REPORT TABLED

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, on June 8, I stated, in reply to a question by the leader of the opposition (Mr. Graydon), that I would table the report of the united and associated nations conference on food and agriculture as soon as it was available, and that, at the same time, I would make a brief general statement on the work of the conference and the programme for future action. I now table the report as approved on June 3, under the designation: Final Act.

The food conference was held at Hot Springs, Virginia. Its sessions opened on May 18, and were concluded on June 3. It was the first general conference of the united nations. That in itself gives the conference an historic significance. While the conference met in time of war, it was not concerned with the prosecution of the war. It had to do with one of the problems which demand solution if, after the termination of hostilities, the world is to enjoy enduring peace. Its purpose was to assist in freeing the peoples of the world from want, once the axis powers have been defeated. The conference was an act of faith in the continuing solidarity of the united nations.

The fact that the subject matter of the conference was food and agriculture is evidence of a determination to make a fundamental approach to the solution of post-war problems. No subject could have been more suitable for exploration. The production of food is the most important of man's economic activities. Its absorbs the energies of more men and women than all other economic pursuits combined.

A consideration of the problems falls naturally into three parts: the objectives in quantity and quality to be set in the consumption of food; the production of foodstuffs to meet consumption needs; the better distribution of the produce of agriculture and of fisheries.

The conference recognized that there had never been enough food produced in the world to maintain the health of all its peoples. The development of the science of nutrition has added greatly to the knowledge of the kinds of food needed to maintain health and efficiency. The nutrition experts who were gathered at the conference set the goals for the achievement of better standards of health, and indicated various measures which might be taken to that end, particularly the provisions of protective and other nutritionally desirable foods. The problem to be faced was stated by the conference to be that of ensuring the production of the necessary food and having it made available to the consumer. The primary emphasis in all the studies made by

the nutrition experts, and the basic conclusion of the conference itself was that the production of food must be increased if freedom from want is to be achieved.

The conference gave attention to methods of increasing the supply of food by such means as raising the efficiency of production, the employment of additional land and labour, the conservation of resources, and the advantages to be derived, in certain cases, from international specialization.

The largest market for the produce of agriculture lies amongst the tillers of the soil. Producers of food are also important consumers of other goods as well as of their own produce. It was recognized by the conference that the general welfare would be promoted by ensuring to the producers of food a reasonable return for their labour. The conference therefore considered special measures to increase the purchasing power of agriculturists generally, and, particularly, the purchasing power of the less advanced and less favoured peoples.

A second main conclusion of the conference was that the expansion of agricultural production must be part of the expansion of the whole world economy. It was recognized that if markets are to be opened for an expanded food production, and if people are to be able to buy the food which they need, poverty must be made to disappear. The increasing of industrial production, the provision of full employment, the prevention of exploitation, the development of social legislation, the orderly management of currencies and investments, the fostering of international trade through the reduction of trade barriers, were seen to be problems to be considered if the purposes of the conference on food and agriculture were to be realized. These studies lay outside the scope of the conference and call for separate consideration, which some of them are already receiving.

The conference was primarily concerned with agriculture, but it did not overlook the value, as foodstuffs, of fish and marine products. It recognized the importance of fish in the economy of many countries. It recommended that the general conclusions which it had reached, wherever appropriate, should apply to fish and marine products.

In its deliberations, the conference had to take account of the special world conditions under which it was meeting. There were two questions of great importance which did not come within its terms of reference. The first concerns the production of food and its distribution in wartime, which is a task for agencies already in existence. The second is the question of relief, on an international scale, which is to be the subject of a conference at an early date.

The conference's study of the problems of food and agriculture was partly concerned with the intermediate period between the present, and the time when the long-term goals of the conference could be actively pursued and achieved.

Countries which are free from the tyranny of the invader are already able to take steps towards the attainment of the goals set at the conference. As other countries are liberated, they, too, can strive towards these goals. The immediate aim must be the abolition of hunger as a first step towards freedom from want. During the transition period which will follow the cessation of hostilities in particular areas, measures will have to be taken to meet the special circumstances caused by the war. Long-term goals will have to be kept firmly in mind so that temporary expedients will not result in permanent maladjustments.

Throughout its deliberations, the conference recognized the primary responsibility of each nation to ensure that its own people are fully employed, and that they have the means of procuring the food needed for a healthy life. The conference also agreed that only through active cooperation with other nations can the fullest prosperity of each nation be secured.

The final act of the conference, the result of its deliberations, comprises a declaration and some thirty resolutions. In the first resolution, the conference recommends that all nations represented should set out in a formal declaration their individual obligation to their own people, and to one another, to collaborate in raising the levels of nutrition and standards of living of their peoples, and in improving the efficient production and distribution of agricultural products. It also recommends that they report to one another on the progress achieved. Other resolutions contain statements of principles and recommendations of policy for the short-term and the long-term period. The resolutions also dealt with the opening up of undeveloped areas suitable for settlement and food production, the fostering of desirable changes in the pattern of production designed to give greater emphasis to protective foods; the provision of agricultural credit; the advancement of cooperative societies, and the improvement of marketing facilities. I need scarcely assure the house that all these recommendations will receive detailed study by the government.

To facilitate collaboration among nations in this field of endeavour, the conference

recommended that a permanent international organization on food and agriculture be established. It suggested that each government represented at the conference appoint a representative to an interim commission, the duty of which would be to carry out the recommendations of the conference and to prepare a specific plan for a permanent international organization on food and agriculture. The conference invited the President of the United States of America to arrange for the establishment of this interim commission, and for the calling of an early meeting.

In recommending the functions of the proposed permanent organization, the conference followed closely the comprehensive agenda which had been fixed for its own deliberations. It also urged the interim commission to give consideration to the question of providing for membership in the permanent organization of countries not represented at the conference. It recommended as well the association of the permanent organization with other institutions, which already exist, or which may be set up later, in the field of food and agriculture, and in related scientific, economic and other fields.

President Roosevelt in his speech to the delegates on Monday last, described the conference as "epoch making". He willingly accepted the recommendation that, as President of the United States, he should call together the proposed interim commission.

The president associated himself with the declaration of the conference that every nation should assume the responsibility, in collaboration with others, of providing adequate food for its own people. I am prepared to make at once a similar declaration on behalf of Canada.

In conclusion, I should like to mention among other of the promising results of the first united nations conference, the friendly spirit which inspired its deliberations, the earnestness with which the delegates worked together toward worthy ends, and the unanimity with which their decisions were reached.

Mr. Speaker, I should ask that copies of the Final Act be provided to members of the house, and would move, seconded by Mr. Crerar:

That 700 copies in English and 300 copies in French of the Final Act of the united nations conference on food and agriculture, laid on the table this day, be printed forthwith, and that standing order 64 in relation thereto be suspended.

At first glance, it would seem that seven hundred copies in English and three hundred in French of the Final Act may not be as large a number as would be desired. I am informed however that something in the nature of an abridged popular statement which will serve all immediate purposes will shortly be available, and I think this would be a sufficient number, therefore, of copies of the Final Act in its formal shape to be obtained.

Mr. GORDON GRAYDON (Leader of the Opposition): In the statement he has just made, the Prime Minister speaks of a projected conference with respect to relief, which I take it is relief of the stricken countries that have been victims of the axis aggression, and has nothing to do with domestic relief,—of which, I hope, we have seen the last in our time. Would the Prime Minister inform the house whether this conference on relief will be separate from the meetings of the interim commission of which he spoke, and which will be headed by the President of the United States?

Mr. MACKENZIE KING: Yes, it will be separate.

Motion agreed to.

AGRICULTURE COMMITTEE

CONCURRENCE IN SECOND REPORT

Mr. W. G. WEIR (Macdonald) moved:

That the second report of standing committee on agriculture and colonization, presented to the house on Friday, June 11, 1943, be now concurred in.

Mr. MARK C. SENN (Haldimand): Before this motion passes I should like to raise one question which was raised in the committee. This report provides for the calling, in order to get information, of certain boards which have to do with the Department of Agriculture and foodstuffs generally, and there was some question in the committee as to whether, if these matters were referred to the committee on agriculture, it would preclude any examination or discussion of the estimates of the Minister of Agriculture, either civil or under the war appropriation bill. I am perfectly satisfied and in fact glad to have this matter referred to the committee if it does not preclude such discussion. On the other hand it would be too bad if the minister's estimates were not to be discussed until this matter was finally disposed of by the committee.

Hon. J. G. GARDINER (Minister of Agriculture): As I understand the recommendations of the committee, they are that certain boards which deal with the expenditure of money having to do with the marketing of products during the war period are to be called before the committee, and my understanding is that this will not interfere in any way with the discussion of the estimates here in the house.

Motion agreed to.

PRIVATE BILL

BETHEL FULL GOSPEL ASSEMBLY

Mr. THOMAS REID (New Westminster) moved the first reading of Bill No. 109 (from the senate) to incorporate Bethel Full Gospel Assembly.

Mr. GRAYDON: I would ask the hon. member to give a full explanation of this bill.

Mr. REID: I should be glad to give a full explanation if we had time, but probably that would take all afternoon. I shall give a short resumé, however, of what it means, and perhaps that will suffice until the bill comes before the committee. Those asking for the incorporation of the church have their headquarters in Vancouver. They are part of a sect whose headquarters are located in the state of Tennessee, which state is well known to all hon. members of this house. They have been in existence for some forty years. Their teachings are those of the new testament; their beliefs are similar to those of the Baptists. They desire incorporation in order to administer the affairs of the church, including real property. Their object is the dissemination of the gospel in all languages, the ordination of ministers and missionaries, the establishment of schools; and as a Presbyterian I am pleased to help the church along.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SASKATCHEWAN MOTORS COMPANY BUILDING, REGINA

Mr. BENCE:

1. How much money has been spent by the government on alterations, and/or additions to the Saskatchewan Motors Company building in the city of Regina, which has been rented for the purposes of the Department of Agriculture?

2. Does the government supply its own fuel and janitor services for the said building?

[Mr. Senn.]

Mr. FOURNIER (Hull):

1. $3,510 on account of alterations and changes as required by the Department of Agriculture. Final estimate not yet received.

2. The lessor provides the heating and the crown attends to the cleaning.

KING'S BIRTHDAY HONOUR LIST

Mr. REID:

1. What department of government is responsible for the recommendations made to His Majesty the King, of those who are deemed worthy of recognition in the king's birthday honour list?

2. From what department, or from whom is advice obtained for the names submitted to the government?

Mr. MACKENZIE KING: The conferring of awards and decorations by His Majesty the King is an exercise of the royal prerogative. In respect to the exercise of this prerogative in relation to Canadians, His Majesty's Canadian government accept full constitutional responsibility. The responsibility of making recommendations in respect to such matters is not a responsibility which His Majesty's Canadian government delegates to any department of government.

MOBILIZATION ACT—REJECTIONS ON MEDICAL GROUNDS

Mr. DIEFENBAKER:

How many men, by military districts, heretofore rejected on medical grounds, have been reexamined since the 31st of October, 1942, and of these, how many have been called for service under the National Resources Mobilization Act?

Mr. MITCHELL:

Part 1

Administrative Divisions	Men Found Unfit by Private Physician	*Re-examined By Medical Revision Board and Found Fit
"A" London, Ont. ...	3,744	1,471
"B" Toronto, Ont. ..	9,000	4,212
"C" Kingston, Ont. .	5,891	2,179
"D" Port Arthur, Ont.	302	176
"E" Montreal, P.Q. .	12,661	5,906
"F" Quebec, P.Q. ...	6,787	2,235
"G" Halifax, N.S. ..	987	453
"H" Saint John, N.B.	683	285
"I" Charlottetown, P.E.I.	160	51
"J" Winnipeg, Man.	808	544
"K" Vancouver, B.C.	2,325	1,074
"M" Regina, Sask. ..	134	54
"N" Edmonton, Alta.	1,057	542
Total	44,539	19,182

*In the re-examinations conducted by the medical revision board 5,676 men, previously found fit by the private physicians, were re-examined owing to doubt regarding previous medical category. Some of these were found fit but these cases are not segregated for statistical purposes.

Part 2

19,182 men—as shown above, were called for service under the National Resources Mobilization Act with the exception of those who were granted postponements or whose cases are pending.

WARTIME HOUSING LIMITED—GENERAL MANAGER

Mr. NICHOLSON:

1. What salary was paid to Victor T. Goggin when he was first appointed general manager of Wartime Housing Limited?
2. Was his salary increased to $12,000 a year? If so, when?
3. What is the total amount he has been paid for salary and expenses since his appointment?

Mr. CHEVRIER:

1. $10,000.
2. Yes—July 1, 1942.
3. Salary, $24,047.80; expenses, $7,058.64.

MAGNESIUM—WILDMAN PROCESS

Mr. KNOWLES:

1. Have reports been made to the government concerning the Wildman process for the production of magnesium? If so, what department is in possession of these reports?
2. What companies in Canada are engaged in the production of magnesium?
3. Does the government own and/or control any plants engaged in the production of magnesium?
4. Has the government, since the outbreak of the present war, given any capital assistance to any companies engaged in the production of magnesium?
5. Who owns the Magnesium Company of Canada, Limited?

Mr. CHEVRIER:

1. (a) Yes. (b) The Departments of Mines and Resources and Munitions and Supply.
2. Dominion Magnesium Company, Limited.
3. Yes.
4. No.

Note—The government owns the magnesium plant at Haley, Ontario, which was built and is operated by the Dominion Magnesium Company, Limited, without fee or profit.

5. The department has no knowledge or record of the Magnesium Company of Canada.

QUESTIONS PASSED AS ORDERS FOR RETURNS

PRICE CEILING—VEGETABLES

Mr. REID:

1. Has a price ceiling been placed on vegetables by the wartime prices and trade board?
2. If so, on what date, and upon what vegetables?
3. What ceiling price has been fixed on each kind or variety of vegetables?
4. Is the ceiling price the same throughout Canada?
5. If not, what are the ceiling prices on each variety of vegetables in the different districts or provinces?

Mr. ILSLEY: Return tabled.

ST. LAWRENCE RIVER NAVIGATION

Mr. LACOMBE:

1. Has the government taken the necessary steps for the protection of convoys on the St. Lawrence river?
2. Of the total number of vessels operating in the St. Lawrence river during the last navigation season, what percentage in tonnage was sunk?
3. What was the average number, per week or month, of naval vessels which came up the St. Lawrence river last season?
4. What was the average number during the years 1939, 1940, 1941, and 1942?
5. Have the Canadian Pacific and the Canadian National Railways benefited greatly in their transportation as a result of the limitations of navigation on the St. Lawrence river?
6. If so, what has been the net revenue of each of these companies during the years 1939, 1940, 1941, 1942, and 1943?

LOANS TO CANADIAN PACIFIC RAILWAY COMPANY

Mr. SHAW:

1. Have any loans been made to the Canadian Pacific Railway Company by the Canadian government during the past twenty years?
2. Upon what dates were such loans made, and at what rates of interest?
3. Upon what dates were interest and principal payments made by the said railway company to the Canadian government? What was the actual amount of each such payment?
4. What is the total amount of, (a) principal; (b) interest, which the Canadian Pacific Railway Company owes to the Canadian government at the present date?

UNEMPLOYMENT INSURANCE COMMISSION—BRITISH COLUMBIA OFFICES

Mr. BLACKMORE:

1. How many of the persons appointed to the seventeen permanent positions filled by the civil

service commission in the British Columbia offices of the unemployment insurance commission, were born in British Columbia?

2. What was the birthplace of each of the others?

3. How many of the aforementioned seventeen were transferred from eastern Canada to British Columbia to fill those seventeen positions?

4. Did the federal government treasury pay the cost of their transportation to British Columbia? If so, what was the total cost of transferring each of them and their effects?

5. Why were the positions not given to the people in whose province the offices were to operate, and why was it necessary to transfer any from the east to fill positions in British Columbia?

6. What is the name and salary of the director or acting director of information and publicity, unemployment insurance commission; what are his duties, and how many of a staff are under his jurisdiction?

WARTIME HOUSING LIMITED—HULL, QUE.

Mr. NICHOLSON:

In connection with war-time houses in Hull, Quebec.

1. When was the contract for the first 100 houses let?

2. When were these houses to be completed according to the contract?

3. On what date was the first of the houses occupied by a tenant?

4. On what date were all of the first 100 occupied?

5. What was the cost per unit for construction and painting?

6. What was the cost per unit for services?

7. What was the cost per unit for each of the additional fifty houses for construction and painting?

8. What was the cost for services per unit?

9. What was the total capital cost for constructing the 150 houses, providing all the streets, sewers, landscaping, and administrative costs?

10. What is the total amount spent on repairs since the houses have been completed?

11. How many coal and wood sheds have been built in connection with the Hull development?

12. How many feet of lumber are there in each shed?

13. What was the average cost per shed?

MR. JUSTICE MCTAGUE—PAYMENTS FOR SALARY AND EXPENSES

Mr. NOSEWORTHY:

What salary and what expenses is Justice McTague receiving at the present time, (a) as a judge; (b) as chairman of the war labour board; (c) as chairman of the wartime depreciation board; (d) as serving in any other capacity as a government official?

[Mr. Blackmore.]

NATIONAL STEEL CAR CORPORATION—MALTON PLANT

Mr. NOSEWORTHY:

1. What was the total amount paid by the government of Canada, and/or the British government, for the production of airplanes, parts, and other war equipment, at the Malton plant of the National Steel Car prior to expropriation?

2. What was the total amount due to the company on account of production at the time of expropriation?

3. What was the total number of planes of all types built or assembled at the plant before expropriation?

4. What was the number of each type built or assembled at the plant before expropriation?

5. What was the amount paid the company by the government following expropriation for, (a) land; (b) waterworks system; (c) buildings; (d) machinery and equipment; (e) accounts receivable; (f) inventories of raw materials; (g) works in process; (h) finished parts and machines of all kinds; (i) sundry assets (give break-down); (j) claims for fees or profits on work performed or in process?

6. What is the amount collected by the government to date on accounts receivable taken over from the company?

MOTIONS FOR PAPERS

RESIGNATION OF ASSISTANT DIRECTOR CIVILIAN, NATIONAL SELECTIVE SERVICE

Mr. STOKES:

For a copy of all letters, telegrams, and other communications, which passed between Goldwin Smith, formerly assistant to C. F. Needham, assistant director civilian, national selective service, and the Minister of Labour, deputy minister of labour, or any official of the department, relating to his resignation or transfer to another department of government.

FALCONBRIDGE NICKEL COMPANY—NORWAY REFINERY

Mr. COLDWELL:

For a copy of all communications between J. Gordon Hardy, president of the Falconbridge Nickel Company, and the Prime Minister or any department of government, concerning Mr. Hardy's statement, as president of the company, and relating to the company's Norwegian plant, made in Toronto on April 21, 1943.

INTERNMENTS—CAMILLIEN HOUDE

Mr. ROY (for Mr. Lacombe):

For a copy of all letters, telegrams, correspondence, memoranda, evidence, reports and other documents in the possession of the Department of Justice, concerning the appeal of Mr. Camillien Houde, heard on the 28th May, 1943, by an advisory board at Fredericton.

Mr. ST. LAURENT: Mr. Speaker, the hon. member is not in his seat, and as I feel it necessary to oppose this motion I would ask that it stand until he is present.

Motion stands.

NATIONAL WAR FINANCE COMMITTEE MEETINGS

Mr. ROY (for Mr. Dorion):

For a copy of the minutes and report of the meetings of the national finance Committee, which took place in Ottawa on December 9, 1936, and the following days, under the chairmanship of the Minister of Finance.

Mr. ILSLEY: Mr. Speaker, exactly the same observations apply to this motion.

Motion stands.

INNISFAIL, ALTA., RURAL MAIL ROUTE NO. 3

Mr. SHAW:

For a copy of all letters, telegrams and other documents passing between the Post Office Department and any official thereof, and any individual or group of individuals, since October 1, 1942, relating to the mail delivery service in connection with rural route No. 3, Innisfail, Alberta.

ST. JAMES-WINNIPEG AIRPORT COMMISSION—STEVENSON FIELD—RAILWAY EXTENSION

Mr. KNOWLES:

For a copy of all representations made to the government by the St. James-Winnipeg airport commission, as indicated in sessional paper No. 382, of June 8, 1943; also for a copy of all replies made by the government, or any department or branch thereof, to the above representations; also for a copy of all communications, documents and memoranda in the possession of the government, or any department or branch thereof, relating to the question of rerouting the Souris branch of the Canadian Pacific Railway in order to permit a northward extension of Stevenson field, at Winnipeg.

Mr. RALSTON: Mr. Speaker, if this order is passed I should like it understood that it is subject to reservation as to documents in the nature of confidential reports made by departmental officers to the heads of branches.

MILITARY SERVICE—POSTPONEMENTS FOR FARMERS

Mr. ROY (for Mr. Dorion):

For a copy of all correspondence, telegrams, and other documents, dated during the twelve-month period to June 10, 1943, in possession of the government, regarding the postponement from military service of those engaged in the farm industry.

Mr. MITCHELL: In connection with this motion I would point out that there are thousands upon thousands of letters involved, and that it means going into all the different departments looking for letters which in any way deal with the subject matter referred to. It would be almost a physical impossibility to complete this return, and I suggest that it be dropped from the order paper.

Mr. SPEAKER: The hon. member is not in his seat; shall we say it stands?

Motion stands.

MILITARY SERVICE—PERMANENT LEAVE FOR FARMERS

Mr. ROY:

For a copy of all correspondence, telegrams, memoranda, and other documents exchanged, from June 21, 1940, to the present date, between the premier of the province of Quebec, and the ministers of the federal government, asking for the permanent leave of farmers, farmers' sons and farm employees from army service.

LABOUR CONDITIONS

MOVEMENT OF FARM WORKERS FROM THE PRAIRIES TO ONTARIO

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, will the Minister of Labour kindly amplify his statement made last night with respect to the proposed movement of 1,000 farm workers from the prairies to Ontario for temporary farm work this summer, and explain particularly why such workers will be obliged to bear any part of their transportation costs?

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, owing to the advance in farm work in Saskatchewan it has been possible to make an arrangement whereby workers will be brought east to Ontario to help out during an urgent period. They will be assigned to farms mainly in central and southwestern Ontario.

To begin with the movement will be of about 500 men and the maximum transfer will be 1,000 men. The dominion government will pay transportation costs easterly but will require workers to pay a small amount of the return trip westerly.

It is expected these western men will stay in Ontario about two months, but certainly they will be back on the prairies in time for the western harvest. No man will be recruited in the west whose absence would interfere with farm production there. I hope we shall have completed arrangements for this transfer of farm labour within the next ten days as the help is needed in Ontario now.

W. W. Dawson, supervisor of farm labour requirements for Saskatchewan and director of the dominion-provincial farm labour programme for that province, has advised

that because of the good work of "win the war" municipal committees there actually will be men to spare from Saskatchewan farms from now until harvest time. On May 28 he wrote a report to one of my officials, and I quote this paragraph:

> You will certainly hear from us if we get stuck for help, but in the meantime I think it is safe to say that we have the farm labour problem under control in the province, and it is my expectation that within ten days we will have more men than we know what to do with.

Mr. GRAYDON: In the slack season?

Mr. MITCHELL: Yes, that is obvious.

Mr. COLDWELL: Who says that?

Mr. MITCHELL: Dawson. I read that passage because it has a western tinge to it.

Mr. COLDWELL: I do not know what it means.

Mr. MITCHELL: I will say it is the way practical people deal with a practical problem. Put it that way.

It is for this reason that we are seeking men from Saskatchewan. On Saturday afternoon an official of the labour department called the minister of agriculture of Manitoba by telephone in order to advise him of the plan for bringing some men east from Saskatchewan. The Minister of Agriculture was out of the city but the whole matter was placed before the deputy minister of agriculture, Mr. J. H. Evans. Mr. Evans said that the matter would be fully discussed at a special meeting of the dominion-provincial committee on farm labour to see what possibility there might be to participate in the plan so far as Manitoba is concerned. This meeting will be held to-morrow morning, June 15, and Mr. Evans will advise us immediately as to the conclusions of that meeting.

The deputy minister of agriculture for Alberta, Mr. O. S. Longman, who is also chairman of the dominion-provincial committee on farm labour, has been advised of the plan. Because of the distance of Alberta from Ontario no specific request has been made for sending Alberta farmers east. It was however pointed out to Mr. Longman that word has been received from British Columbia of a very serious shortage of help to put up hay in the interior. If there were some men from Alberta who might be spared for five or six weeks between now and harvest time, Mr. Longman was asked to consider the possibility of organizing some movement into this area of British Columbia.

With reference to the particular point raised by the leader of the opposition (Mr. Graydon) we decided to require part payment of transportation costs in order to ensure the bona fides of the men wishing to come east. Our experience in the past has been that when free transportation is offered there are some who simply go along for the trip and make themselves scarce on arrival. The requirement that part of the transportation be paid is an undertaking each man will sign before he leaves for the east. It is not expected that in each case the charge will be more than five dollars.

Mr. GRAYDON: Has this been done through the offices of national selective service, or is it being done outside that department?

Mr. MITCHELL: It is being done through the instrumentality of the Department of Labour, which embraces national selective service. As I said the other afternoon, we are not responsible for the weather. The fact that we were ahead in the west and backward in the east prompted us to make this transfer, so as to assist Ontario farmers at this time.

Mr. ROSS (Souris): Does the minister say he had no definite word from Manitoba on this matter

Mr. MITCHELL: I think I said that. I said there was to be a meeting to-morrow morning. I will know to-morrow.

Mr. ROSS (Souris): I have a press release dated June 12 from the area from which these men would be taken. It states that possibly some men will be taken from Manitoba in the transfer of western farm labour for Ontario. This suggested movement is hardly in keeping with the facts as cited by the Minister of Agriculture in discussing agricultural labour, as reported at page 2898 of *Hansard* for May 21. He placed on the record an extract from an article published in the United States indicating that one man should be exempt for agriculture for every sixteen war units, as set out. I know many farmers in southern Manitoba who are operating alone two or three times that number of units, and who cannot now obtain help in haying operations.

Mr. BENCE: Can the minister tell us how selective service is going to ensure that the men being taken from Saskatchewan will be returned?

Mr. MITCHELL: I will have the complete record.

Mr. BENCE: Will permission to go into industrial plants be refused to these men?

Mr. MITCHELL: Absolutely.

SHIPYARDS IN LOWER ST. LAWRENCE AREA—QUESTION OF APPOINTMENT OF CONTROLLER

On the orders of the day:

Mr. MAURICE BOURGET (Lévis): I should like to direct a question to the Minister of Munitions and Supply. Is it the intention of the government to place a controller in charge of the shipbuilding yards in the lower Quebec area?

Hon. C. D. HOWE (Minister of Munitions and Supply): Consideration is being given to the question which my hon. friend has brought up. I hope within the next two or three days to be able to make a definite announcement as to the government's plans for shipyards in the lower St. Lawrence area. I might mention that there is some labour unrest in that area, perhaps not without cause, and I should like to express the hope that no action will be taken by labour in that area until after the government plans have been announced.

GASOLINE

REPORTED INVENTION OF NEW CARBURETTOR

On the orders of the day:

Mr. E. E. PERLEY (Qu'Appelle): Mr. Speaker, I should like to ask a question of the Minister of Munitions and Supply, under whose jurisdiction comes the matter of fuel administration. My question is prompted by an article appearing in the Regina *Leader-Post* of June 11. It states that Melford J. Ball, of Weyburn, has invented a new carburrettor which will effect a great saving in gasoline.

Some hon. MEMBERS: Oh, oh.

Mr. PERLEY: Some hon. members are laughing, but this is a matter of such great importance that I trust the minister will give it careful consideration. The report says that this young man has invented—and I shall quote it—

Mr. SPEAKER: Not only is the hon. member's question out of order, but I would point out that he will be in a position to ask the question when the minister is before the committee.

Mr. PERLEY: This is a matter of vital importance and should be dealt with immediately. This young man has invented a carburettor, and I should like the house to hear what the article says. I think you will agree, Mr. Speaker, when you have heard it, that it is of vital importance and should be considered.

Mr. SPEAKER: I point out that a report from a newspaper cannot be read in order to base a question on a statement which the hon. member cannot guarantee as correct. It seems to me this is a matter which could be taken up in committee.

Mr. PERLEY: I shall put my question in another way, then. Has the Minister of Munitions and Supply learned of the invention of a new carburettor by a young man in Weyburn, Saskatchewan. Associated in the development has been a mechanic stationed with the Royal Air Force at Weyburn. It is reported that tests show the standard car would save fifty per cent gasoline.

Hon. C. D. HOWE (Minister of Munitions and Supply): I have not heard of this invention. I may say, however, that we have a war inventions board in Canada which is prepared to examine very fully any invention sent to it. If the hon. member will have the invention sent to the war inventions board I am sure it will receive careful consideration.

REDISTRIBUTION

POSTPONEMENT DURING HOSTILITIES—PROPOSED AMENDMENT TO BRITISH NORTH AMERICA ACT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I should like to make a statement to the house with respect to the subject of redistribution which has been mentioned on one or two previous occasions. The statement has a bearing upon the length of time it may take parliament to conclude the work of the present session. On more than one occasion my colleagues and I have given anxious consideration to the problems involved in undertaking, during the war, the work of readjustment of the representation in the House of Commons. I need not remind hon. members who have had a long experience in the house that the process of redistribution may give rise to sharp and even acrimonious differences. The government is desirous, as I know the house and the country are, to avoid, in war time, occasions for political differences and controversy, whenever such differences can be avoided without prejudice to the national war effort or to the effective functioning of our free parliamentary institutions.

We are particularly anxious to prevent differences that might be avoided arising at a time when hostilities, in which our own Canadian forces may be engaged, are at an acute stage. From now on until the close of the war it will at no time be possible to predict what the actual situation may be. We may

be certain, however, that until victory over the axis powers is finally achieved, the situation will become increasingly intense. Apart altogether from future possibilities, circumstances arising out of the war have occasioned special difficulties in respect to redistribution during the continuance of hostilities.

In the first place, the census of 1941, on which the redistribution would have to be based, was taken after Canada had been at war for almost two years. In that period, enlistments in the armed forces, migrations from province to province occasioned by the establishment of war industries, and other shifts of population directly attributable to war-time conditions, had abnormally added to the numbers in some provinces and decreased those in others. In the two years that have elapsed since the census was taken, war-time movements of population have continued and may even have intensified. It may be questioned therefore whether a redistribution based upon the situation in 1941 would conform at all closely to the actual situation which would prevail when the time came to hold a general election. There is another important circumstance of which I am sure all members of the house will wish to take account. Redistribution involves not merely the readjustment of the representation of the provinces, but also the delimitation of the electoral divisions within all or nearly all of the provinces.

I need not remind hon. members that a considerable number of our fellow members are absent on active service in the armed forces and that some of them are overseas. Redistribution, affecting, as it inevitably would, the boundaries of a great many constituencies, would be a matter of immediate concern to them, and a matter on which their right to express their views should, if at all possible, be preserved. These considerations have caused the government to conclude that it does not now seem desirable that readjustment of representation on the basis of the census of 1941 should have to be made during the continuance of the hostilities in which Canada is now engaged, and that an amendment to the British North America Act should be sought in order to permit of the postponement of redistribution.

My colleague the Minister of Justice will at an early date introduce the appropriate resolution in this house. A similar resolution will be introduced in the other house. I believe that the course the government is recommending will, upon careful consideration, commend itself to members of all parties in the house, as I am sure it will to the people of Canada generally. It will be recognized that the government is seeking to have done only what is in the national interest at a time of war, and that by limiting the effect of the action proposed to the period of hostilities in which Canada is now engaged there will be no occasion for the slightest apprehension that any fundamental constitutional rights will be affected.

[Mr. Mackenzie King.]

CANADIAN ARMY

STATEMENT WITH REFERENCE TO DISTURBANCES AT SUSSEX MILITARY CAMP

On the orders of the day:

Mr. W. C. MACDONALD (Parliamentary Assistant to the Minister of National Defence): The hon. member for York-Sunbury (Mr. Hanson) asked some questions on May 27 and June 7 with reference to the disturbances at Camp Sussex, New Brunswick, which I should now like to answer.

1. A military course of inquiry was assembled, evidence was heard and findings were made by the court.

2. An inquest was held by the civil authorities. The coroner's jury found that Private D. M. Bennett died as the result of a wound from a ·303 service bullet fired by an unidentified person. The jury added a recommendation to the effect that a further investigation be made by the attorney-general's department. This investigation is proceeding.

3. The civil authorities have requested the military authorities to take no further steps until the civil investigation is completed.

4. A soldier, Rifleman J. P. Bidegare, has been arrested by the civil authorities and charged with attempt to do grievous bodily harm contrary to the provisions of section 273 of the criminal code.

5. Both the Dufferin and Haldimand battalion and the Voltigeurs de Québec are still in Canada but in different military districts.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Friday, June 11, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the Chair.

MUNITIONS AND SUPPLY

1. Additions and extensions to plants, $195,000,000.

Mr. DIEFENBAKER: Mr. Chairman, I listened this afternoon to the Prime Minister (Mr. Mackenzie King) announcing to the house the attitude which he felt should characterize hon. members of this house during war time, and I could not help but think that if we all were to adopt the standards suggested by him considerable improvement would take place, not only in the debates in this parliament but in the contribution that each and all of us are endeavouring to make. I feel that the duty of an opposition in approaching a discussion of the various matters under the war appropriation measure, should be divided in two parts: one, to give credit when credit is due, and the other, fearlessly to point out shortcomings or deficiencies to the end that Canada's war effort may reach a point of maximization at the earliest possible time.

As I listened to the recital of the Minister of Munitions and Supply (Mr. Howe) on Friday last, I could not help following with great interest and with great pride, what he had to say for without regard to political party the members of this house are Canadians first and foremost, and all will experience pride in the production record of Canadian war industry as revealed by him. It means an economic revolution in Canada has taken place in the transformation of Canada into one of the great industrial nations of the world. It represents a change of attitude and a change of emphasis, with each of the united nations concentrating on the production of that which they can most conveniently produce. It represents the beginning of the culmination of the results of the combined production and resources board which was set up in November, 1942. The duties of the board were defined as follows:

> The board shall combine the production programmes of the United States, the United Kingdom and Canada, into a single integrated programme adjusted to the strategic requirements of the war as indicated to the board by the combined chiefs of staff and to all relevant production factors. In this connection the board shall take account of the need for maximum utilization of the productive resources available to the United States, the British commonwealth of nations and the united nations, the need to reduce demands on shipping to a minimum, and the essential needs of the civilian populations.

Canada's production record in the past year, and I speak as one who in the past has been most critical, is a tribute to what private initiative and private enterprise can do in this country with state collaboration. During the last few months tremendous, drastic and far-reaching changes have taken place in production, and they are indicated in the estimates placed before the house by the minister. Canada in company with the other united nations has adopted the uniform principle of producing offensive weapons instead of defensive weapons. The blueprint of victory consists in taking the offensive. Besides the production of ordinary munitions Canada will concentrate on the production of certain types of aircraft, nine in number, particularly Lancaster bombers and Mosquito bombers, and on fighting naval vessels and on cargo vessels. There has been a change in ground production, due in large measure I am informed to the experience of our troops at Dieppe and in Africa during recent months. I am not going into the question of man-power to-day, but the change in ground production will mean either unemployment for many thousands of men in Canada or the hoarding by industry of men until changed conditions make them employable unless action is taken and immediately by selective service authorities to the end that these men be placed in their proper positions.

Women have made a great contribution in munitions production, but they are not as yet being used to the extent that they are in Great Britain and the United States of America in industry. Recently a number of members of this house had an opportunity to visit the city of Buffalo and to see there in operation two of the greatest aircraft plants in the United States producing fighting planes. From information secured there I can tell the house, and what I say now will be confirmed by those who were present on that visit, that some fifty-two per cent of the employees in one of these great factories are women. We in Canada will have to increase the number of women in industry if the man-power requirements of the army, the navy and the air force and of industry are to be supplied.

In the past, in 1940, 1941 and 1942, Canada as a member of the united nations found out that valour without production would not win victory. The experience of recent days in Africa and of very recent days in the islands of the Mediterranean has shown the necessity for ever-increasing air power on the part of the united nations. There are many to-day who will contend that, having regard to the

vast destruction being wrought each night in the great industrial cities of the Ruhr and other parts of Germany, the united nations should devote themselves almost exclusively to developing great air power; that overwhelming air power can and will bring Germany and the other axis nations to their knees.

When I offer words of criticism, as I shall shortly, they will be directed to only one or two matters and my colleagues will devote themselves to other phases in connection with production. The record in the production of cargo-carrying ships is one in which this opposition takes pride, as the idea was first forcefully brought before this house, by the hon. member for Vancouver South (Mr. Green), and the hon. member for Cumberland (Mr. Black). We take pride in the production of tanks and the contribution they have made in Russia, and we also recall that when one of the members on this side of the house first suggested that tanks could and should be built in Canada—I refer to the hon. member for Parkdale (Mr. Bruce), and I have his actual words here—the attitude taken by the government was that it could not be done.

Mr. HOWE: That statement has been made several times. Will the hon. member read the words where the government said it could not be done? The government had been working on tanks for months before it was mentioned here.

Mr. DIEFENBAKER: I will give the words.

Mr. HOWE: Never mind the oratory—give us the words.

Mr. DIEFENBAKER: There is a peculiar trait in the minister—as long as you praise him he is perfectly satisfied, but once you offer constructive criticism immediately he becomes aroused. I will give him the quotation later.

Mr. HOWE: Why not now?

Mr. DIEFENBAKER: In effect, the minister ridiculed the idea, and five days later one of the departments of information announced that Canada was going ahead very shortly with the production of 300 tanks. No doubt the only objection the minister had at that time, knowing as he must have known that Canada was going to go ahead with the production of tanks, was that the suggestion had come from the opposition before he himself had made the announcement.

I think that we have justifiable pride in what has been done in that it does show one thing that cannot too often be accentuated in this country and among democracies, and that is that democracies do function when challenged by danger. They are slow to begin operations but when once the people of democracies appreciate that they are fighting for the survival of freedom great results ensue. The results in the united nations are such that within less than four years they are to-day producing more war supplies than the axis nations, who started seven or nine years prior to the war to produce. The united nations have caught up with them in the interval since the beginning of the war and have now passed them.

A tribute should be paid to the Canadian industrialists and to labour for their partnership in this great work. There is not a man or woman in Canada to-day who, in the production record as outlined by the minister, has not a sense of pride in the fact that, through their contributions to victory loans and their actual labour in our factories, and through the leadership in trade unions and the cooperation of industry itself and industrialists, outstanding results have been achieved. They all have pride in their participation in this partnership of patriotic production, which will pay dividends in assured victory for our armed forces of the united nations.

Labour in Canada has a record of which it might well be proud. When I was in Buffalo I was told that a recent survey had taken place in the United States in regard to the question of, shall I call it, unjustifiable absenteeism, absenteeism that is not justified by necessity. In eight of the greatest cities of the United States, industrial centres, the rate of absenteeism was found to be from five to fifteen per cent with an average of around nine per cent compared with two per cent prior to the war. Translated into production that represents tremendous figures in potential output. Here in Canada, according to the best figures I have been able to secure, we find that in spite of the fact that there is heavy taxation on all those engaged in labour and that therefore some may be poorer if they work six days in the week than if they work four, absenteeism during the past year has been less than the low rate of two per cent in the United States prior to the war. That tells its own story and clearly proves that labour in Canada in general appreciates everything that this war is being fought for; it appreciates what it means to labour as to all others.

I think it is a matter of pride to all Canadians that while wages are maintained in the main as of October, 1941, and that across the line in the United States wages are immeasurably greater, in munitions and war production the men and women of this country have continued, regardless of their feelings with regard to the wages they receive, to contribute to the great work that they have done in the production of this nation.

We want the minister to be able to place before the house the record of the numbers of men who will be out of work in each industry by changes that are being made. What transfers are being made in consequence now and what will be made? We also want to know the plans the government have to prevent anyone in industry from hoarding employees against the day when production has been resumed in that particular industry.

I come now to a question on which I think the government must give particulars, that of capital advances and assistance to private companies, and the matter of the continuance of government corporations after the war. Last year and the year before I asked the minister what were the plans and what was intended to be done and what disposal is to be made of these plants after the war. After almost four years of war, the answer given in past years will not be accepted as sufficient to-day. The general answer given then was to the effect that no plans had been made and no decision arrived at. When I look at the record and find that Canada has advanced by way of capital assistance to private corporations the sum of $821,000,000 as of December last and that 335 private companies have received capital assistance, having regard to the expenditure that has been made in this direction and the vast developments that have taken place, the building of tremendous factories and the installation of machinery that has run into literally hundreds of millions of dollars, I feel that the people of Canada have a right to know now what the government's plan is for the disposal of these industries after the war.

So far as I have been able to find out, all that has been done in this connection has been to provide optional purchase clauses in some, but very few, of the government agreements with private corporations. In a return, No. 298 of May 21, 1943, answers are given to questions asked by the hon. member for Rosetown-Biggar (Mr. Coldwell). The hon. member asked the following question: Are there any optional purchase clauses contained in government agreements with private corporations in connection with government investments in any industry or plant? The list is given there. There is a number of agreements, with Defence Industries Limited, Consolidated Mining and Smelting Company Limited, Alberta Nitrogen Company, Electric Reduction Company of Canada Limited, Canada Wire and Cable Company, Anaconda American Brass Limited, Nichols Chemical Company Limited, Electric Steels Limited, Chemical Construction Corporation and Welland Chemical Works Limited, Shawinigan Chemicals Limited, Macdonald Chemicals Limited, Naugatuck Chemicals Limited. Defence Industries Limited has received capital advances of about $109,000,000, and these other companies have received capital advances totalling, according to approximate figuring, about $170,000,000. In these agreements there is not the definiteness there should be. The general provision relative to the disposal of plants seems to be, as indicated in relation to Defence Industries Limited, that the government shall give the company a sixty-day option to purchase the plant or any part thereof at a price it is willing to accept from any other party; if the offer is not accepted, the government is free to sell the plant to any other party at a price not less than that offered to Defence Industries Limited. These terms are not clear; indeed they are so wide open that the government is left in a position where a sale far below the proper and fair price could be made. The criticism that I have heard and which I am bringing before the minister is based on the fact that the government now is not making arrangements to protect the interests of the people of Canada after the war for the tremendous amounts they have expended in war industry. I believe the time has come, in view of the large expenditure which will be made this year, estimated at $195,000,000, in additions to and extensions of plants, that we in western Canada have the right to share in the industrialization which is taking place.

I will cite as an example the province of Saskatchewan. We could have tanneries established there, but our hide production is shipped out of the province to be manufactured. We are in a position to manufacture glycerine and glue, yet only a few months ago an arrangement was made whereby we would ship the bones out of Saskatchewan to the United States of America, where they are manufactured into one or other of these components. I do not want to become parochial, but I must again bring to the minister's attention the fact that,

according to the most reliable figures I have been able to obtain, of the vast sum of $800,000,000 dispensed by way of capital assistance, Saskatchewan has received less than $1,000,000. There is no justification for that. The hon. member for Saskatoon City (Mr. Bence) has dealt with the question of establishing a flax processing plant in western Canada and plants for the production of synthetic rubber. Factories could and should be established in various parts of Canada to provide when the war is over a backlog for the unemployment which may otherwise take place. It is a notoriously well-known fact that man-power does not move freely back and forth across the dominion where work is available, and seeks employment as near home as it can.

The following inquiries were directed to the Minister of Munitions and Supply, reference sessional paper 231-C, March 29, 1943: "In each province, what is the total amount of capital assistance given?. What is the total volume of all orders given by the Department of Munitions and Supply (a) to all Canadian industry and (b) in each province?" The answer, which I do not accept because ordinary addition will bring out the necessary facts, is that "it is impossible to give a money break-down by provinces that will properly reveal the extent to which each province is participating in war orders made possible by capital assistance or by the operation of crown companies or by ordinary award of contracts". With all due respect, I say that that statement does not represent the facts. The only reason I can suggest why the minister failed to give an answer showing what each province has received compared with what other provinces received, is that the record was anything but favourable to governmental planning. The United States to-day, passing through a similar condition to our own here in Canada, realizing that when the war is over she will own or be interested in factories valued at many thousands of millions of dollars, is engaged in a survey with a view of ascertaining what plans can be and should be made now for the disposal of these plants after the war. I do not know what the figures are for Canada; I have endeavoured to secure them but I have been unable to do so; but in the United States, when the war is over, the government will own 96 per cent of the new shipbuilding industries; 93 per cent of the new aircraft industries; 71 per cent of the new iron and steel plants, and 64 per cent of the electrical equipment factories. No doubt a similar situation obtains in this country.

[Mr. Diefenbaker.]

We in parliament have a right to a declaration this session on this problem. Will these industrial undertakings be leased, or will they be sold to private enterprise, subject to the necessary controls to assure that monopolistic enterprise shall not thereby be built up? On the other side of the picture is socialization or state operation. What is the plan of the government? Shall it be private enterprise, with the government having something to do with management? Shall it be private enterprise without any control? Or will the government continue after the war to operate some of the government-owned or war-financed plants manufacturing commodities which are as necessary in time of peace as they are in time of war? I think that in the distribution of these plants after the war, division among the different "enterpreneurs" should be made on proper terms and with the design of promoting competition. If there is one argument we hear to-day more than another it is that when the war is over the government will be in a position to turn over these plants to its friends, and to discriminate in their disposal or dispersion. That sort of argument can be and must be answered now. In the interests of post-war employment and for the good of our people as a whole a decision and a plan must be evolved now.

So far as this party is concerned its policy has been enunciated by its leader, Mr. John Bracken, and it is simply this. "While paying a tribute to what private enterprise has done and can do, and recognizing that it has been a mainspring of world progress throughout the generations, we hold that it does not and must not be allowed to mean the rampage of uncontrolled greed. Prosperity comes from production, production from enterprise, largely private enterprise. It is when enterprise fails that prosperity disappears." So far as the government of the United States is concerned there is some suggestion to-day that co-operation between industry and labour will continue when the war is over, but co-operation between industry and the government must never be substituted for competition. To-day Britain is facing this problem; and though the minister may laugh the fact remains that this is one problem which must be faced now.

Mr. HOWE: I should like my hon. friend to withdraw that remark, because I was not laughing at anything the hon. gentleman said; it was at a comment made behind me.

Mr. DIEFENBAKER: Very well; I am quite prepared to accept that.

Mr. HOWE: I do not like that to appear in my hon. friend's speech, because I was not laughing at anything he said.

Mr. DIEFENBAKER: I am trying to offer a serious suggestion to the minister, and I find that he usually accepts suggestions made in that way.

I have dealt with this matter at some length, and my time is nearly up. I am not going into the details of the plan for the demobilization of industry, or to offer any suggestions in that regard, but plans for this demobilization must be made now, and if I may I would suggest that the government must take into consideration the following points:

1. A determination of the basis upon which sale or disposition shall be made.

2. A government plan now for the conversion of these war-time industries to peace-time economy and production.

3. A determination now as to which plants will be continued after the war for standby purposes.

4. A plan now of assistance to small industries after the war by way of loans to stimulate the change from the war-time to peace-time economy, coupled with technical advice as to the most appropriate use of their facilities in peace-time production.

We have many large industries in Canada, but in the main the backbone of our industry is the small enterprise. I have the exact figures on my desk, though I do not see them at the moment; as nearly as I remember them, however, there are only 172 industries in Canada employing more than 500 men, while there are 24,600 employing less than 500 men. There should be a guarantee that private enterprise of the small business type will receive a fair and reasonable share of the available facilities, to the end that competition will be engendered and control of the great industries that have been established during the war or have increased in importance since the beginning of the war shall not fall into the hands of cartels or monopoly groups. In that connection I would point out that the national planning board of the United States of America has suggested that so far as certain great industries are concerned, producing such crucial commodities as magnesium, aluminum, aircraft and the like, consideration should be given to the extension of a joint private and governmental partnership in those industries, necessary as they are to peace as to war economy.

That in general is the information I should like to secure from the minister in connection with this phase of his estimates. I should like to know what further extensions of existing companies are planned for this coming year. I should like to know why the provinces which up to the present time have not received any appreciable share of industry should not have an opportunity to build up some of the industrial life that is to be found in other parts of Canada, through the development of power where that power is available, in the province of Saskatchewan for an example.

In the few moments still at my disposal I want to refer to one other matter, though I shall deal with it at greater length later on; I have reference to the production of aircraft in this country. I have before me the various speeches in this connection made by the minister, together with the reports he has given during the last three years, and all I can say is that the hopes expressed in regard to aircraft production have not been fulfilled. I go back to 1940 and find the same hopeful expressions in regard to the production of aircraft that we hear to-day, and it was the same in 1941 and 1942. On October 3, 1941, Mr. Bell, the controller, during the course of a speech, said that at that time Canada was producing more aircraft per week than in a whole year before the war, but he did not say what year he was talking about. The production before the war was shown by the minister on May 22, 1940, to have been very small. If increasing aircraft production is necessary, as apparently it is; if the war production of Germany can be reduced by seventeen per cent in three months through air attack, should not Canada now embark upon an ever-extending campaign for the production of aircraft? The record in this connection is such, I think, that an explanation is required from the minister in regard to what happened at the Malton plant when it was operated by National Steel Car. Last year and the year before it was held up as an example of efficiency in production. The people of Canada have a right to know how much money was put into that plant and what was the cost in man hours of the production of each type of aeroplane. Apparently the de Havilland plant in production of Mosquito bombers has revealed weaknesses, though members of this house have no knowledge of what happened, except that a government controller was put in charge in place of the former management. What is the production now of de Havilland Mosquitos—and I know

one must always ask that question subject to security needs. The hon. Mr. Davis said two months ago in Australia that Canada was producing five Mosquito planes per day.

Mr. JOHNSTON (Bow River): Where did he get his information?

Mr. DIEFENBAKER: According to the minister, speaking on November 30, 1942, before the Canadian club at Toronto, we find this:

> We are now in production with de Havilland Mosquitos, recognized as the world's fastest and most efficient plane. We have planned production of five planes per day of this type.

Having regard to the fact that information as to production was given in Australia, I would ask the minister to tell the house and the country how many of these planes were built and delivered as of March 31, 1943.

There has been a great deal of criticism of these two plants. Every hon. member who has at all interested himself in the production of aircraft has heard criticism. We hear that man-power has not been utilized properly, that men have been held back from doing more work than was required at the time. There was wastefulness and inefficiency in the operations of these plants. Changes have taken place. The Malton plant has been taken over by the government. The de Havilland plant is now in charge of a controller appointed by the government.

The CHAIRMAN: The hon. member has spoken for forty minutes.

Mr. DIEFENBAKER: May I finish just this sentence?

Mr. HOWE: Yes; finish your statement.

Mr. DIEFENBAKER: How many man-hours were required to produce Mosquito bombers at these plants, compared with the plants in the United States? Having regard to the many months of preliminary work preparatory to the production of Mosquito bombers—and I am informed this was some eleven months, speaking of course subject to correction—what was the cost, in wages alone, of the men employed in this plant during the period they have been engaged in the production of Mosquito bombers?

I think when the whole story of aircraft production is told, it will be found that immediate and drastic action is necessary. We are not producing the engines, although in 1940 the minister indicated that engines would be produced. In his statement of May 22, 1940, he said:

> Aeroplane engines are not manufactured in Canada, and are at present the limiting factor in the further development of our aircraft industry. Extensive study has been given to obtaining a source of aeroplane engines within Canada, and negotiations are proceeding for the establishment in Canada of a large plant for the manufacture of aeroplane engines.

In his address the other day the minister paid a fine tribute to Canadian labour and Canadian industry when he said, in effect, that we could produce anything in Canada, and that the war had proven the truth of his statement. At page 3556 we find these words:

> Never again will there be any doubt that Canada can manufacture anything that can be manufactured elsewhere.

We talk about the manufacturing of planes, that the number produced to-day amounts to about 8,000, and that the number being produced each month is about 320. Yet the fact is that when the minister gave his report a year ago, production in that respect was greater than it is to-day.

Mr. HOWE: In numbers, yes.

Mr. DIEFENBAKER: Yes. On May 14, 1942, the minister said:

> In the matter of aircraft, our production is now stepped up to about 400 planes a month, and we have plants that are not in production. . . . we have now reduced our production to nine types of planes, and the plants are cleaning up old orders and concentrating on one type of production for each plant with accordingly improved results.

Mr. HOWE: May I say to my hon. friend that there would be forty times the number of man-hours in the production of a Lancaster bomber that there would be in the production of a Fleet trainer. That is the reason for the smaller number of planes. But the tonnage of planes goes steadily higher.

Mr. DIEFENBAKER: The same condition prevailed in 1942. Then we had nine different types of planes, and we have the same nine to-day.

Mr. HOWE: But we were cleaning up our orders on smaller planes.

Mr. DIEFENBAKER: The fact remains that in May, 1942, we had concentrated production on nine planes, the same number as we are concentrating on to-day. The monthly production is eighty planes less than it was a year ago. That reduction requires an explanation from the minister.

May I thank the committee for allowing me these extra few words. In conclusion, may I say that at this time we in the House of Commons want information, and very full information, as to the reasons why we are not to-day producing aeroplane engines in preparation for the post-war period. We can do it—that was admitted by the minister when he paid tribute to Canada's workmen. We want

to know, too, what happened in connection with the Malton plant, and what happened in connection with the de Havilland plant. We want a full and complete statement on these plants, because there are rumours around which require to be answered.

Mr. REID: Mr. Chairman, those of us who listened to the speech of the Minister of Munitions and Supply (Mr. Howe) on Friday last, and others who have since read his speech in *Hansard,* must have come to the conclusion that the record of achievement by the minister as it appears in *Hansard* is one of which every one of us can be proud. Before the war, in certain countries Canada had been looked upon as an agricultural land. To-day such is not the case, because Canada now ranks among the foremost nations of the world as an industrial producer. Some considerable credit is due the minister, and I was pleased indeed when at the opening of his remarks the hon. member for Lake Centre (Mr. Diefenbaker) paid his respects to the record, to the minister and to the men who have helped to produce guns, tanks and all the implements of war we are to-day producing.

I have not always seen eye to eye with the Minister of Munitions and Supply. We have had our differences. But I have never had any doubt that he was the best man this country could have obtained for the job. I think every hon. member will agree with that statement. If there are those who would not agree, I challenge them to name anyone in Canada who could better his record. The minister has had a job to do. I have differed with him, as have other hon. members from the eastern and western provinces, particularly those from British Columbia. We have differed with him in the matter of the centralization of industry in the two central provinces. As I say, we realize that the minister had a job to do, that he had to produce these articles of war, but I am just wondering if after the war the eastern and western provinces, particularly British Columbia, will have any opportunity to develop industries. It may well be that by that time we might be over-industrialized in certain lines of endeavour.

I am not going to deal with a great number of matters this afternoon, but there is one thing I should like to bring to the attention of the committee and of the Minister of Munitions and Supply. I refer to the production of steel in British Columbia. I may say right here that I do not approach this subject as one who is ignorant of the facts. I am one of the few members of the house who have had practical and successful experience in the manufacture and production of both steel and iron. As the minister pointed out, we are producing in Canada at the present time some 3,000,000 tons of steel. We are importing 2,000,000 tons, with the possibility that we shall have to import 500,000 tons additional this year. I wonder how many hon. members realize that practically all the ore needed to make the 3,000,000 tons produced in Canada comes from the United States? The steel plants in Nova Scotia bring in ore from Brazil or Newfoundland, but the great steel plants in Ontario get their ore from the lake Superior region, from the Mesaba range. I was surprised to read the other day that there is only visible a ten years' supply in the open pits of the Mesaba range, and which furnish eighty-five per cent of the iron ore used in the United States and practically all that used by the steel plants in Ontario. There are other supplies of ore in the Mesaba range but they will have to go deeper for it, perhaps go into the mining of iron ore.

There is, however, plenty of iron ore in Canada. I am not particularly familiar with the iron ore deposits in the eastern provinces, but I have made some little study of those in British Columbia. I say without fear of successful contradiction that the iron ores of British Columbia contain a higher iron content than any other ore in the world. The Mesaba range ores contain only as high as fifty-one per cent iron, but those of British Columbia run as high as seventy per cent iron content. These ores are also low in the impurities, especially phosphorus and sulphur which are usually found in iron ore. There is also in British Columbia an abundance of coal and limestone. Over the years some forty-eight engineers have reported on more than thirty-two properties containing iron ore. All these properties are on tidewater. The question then arises: Why is it that no development has taken place in British Columbia or that no practical effort has been made to develop the iron ores of that province, as well as to do more in the way of developing the iron ores in other parts of Canada?

The fight which British Columbia has put up for the manufacture of steel in that province has been one of thirty years or more duration. It is most interesting to note that last year a special committee was set up by the United States senate, called the Truman committee. Sworn evidence was given before this committee that the Morgan-United States Steel corporation interests were behind the blocking of any move to develop steel production in British Columbia.

We have always suspected that the hands of Morgan and the United States Steel corporation were behind this, but here we, for the first time, have sworn testimony. It is interesting to note that the United States Steel corporation and the Morgan interests were present at that committee but as yet no rebuttal has been made to the sworn statements of Mr. Landahl of Seattle.

It may be asked why I am bringing up the question of steel production at this time. I do it for two reasons. First, I want to direct the attention of the minister and the committee to the reasons why the efforts put forth by the people of British Columbia and the western states have been thwarted. Second, there is a principle at stake. We have been living and are still living in the days of cartels and combines. To my mind this matter is so serious that I deem it my duty as a member to get up in my place this afternoon and ask that note be made of the statements made before the United States senate committee in August, 1942. Those statements were most damaging and should receive some consideration and investigation by the government of this country. I am not going to deal with all the proposals which have been put forward by British Columbia since the war began in connection with the erection of an electric furnace to melt our surplus steel scrap. We were promised that this would be done, and at one time actually thought it was to be an accomplished fact. The promise has recently been made by the minister that he will help to further this project, so that I shall not refer to the matter other than to say that it is rather strange that when the announcement appeared in the press two weeks ago that certain public-spirited men of Vancouver were coming to Ottawa to place the matter before the Minister of Munitions and Supply, the agent of the Morgan-United States Steel corporation interests was in the city and the chief agent of the corporation in Vancouver also appeared in Ottawa. That may have been only a coincidence, but to me it was a most remarkable coincidence. I may be a little suspicious, but I do not think they were here for their health. They were here, I believe, to watch and to continue blocking if they could any effort toward the establishment of a steel-making industry in British Columbia.

I have not the time this afternoon to read all the evidence given before the Truman committee, but I would advise hon. members to get a copy of this evidence and read it carefully, particularly the statements given under oath about the iron ores of British Columbia. They will find in this evidence details of the fight that has gone on over a twenty-five year period. However, I should like to read one letter which I think will explain quite briefly some of the evidence which had been submitted. This is from Senator Thomas Voyce to Senator Lewis Schwellenbach, and it reads:

> Dear Senator: I regret it was impossible to arrange a meeting between you and the men here who have charge of efforts to build a blast furnace on the Pacific coast.
>
> The next best I can do is to write you and try to give you a view of this particular situation and bring about the action necessary, to place our situation before the President in Washington; he is in my judgment the only one able to assist the Pacific coast.
>
> I enclose a memorandum giving a few details of the proposed industrial development.
>
> When you read the memorandum and report enclosed, you will say—"if that is correct, why has no blast furnace been built on the Pacific coast" and that was what I was so anxious to go over with you.
>
> I wanted you to know that since 1912 the Morgan-U.S. Steel Corporation groups have held the entire Pacific coast under control, ruining those that attempted to build a blast furnace on the Pacific coast, reaching into every source, issuing government pamphlets covering iron ores, coking coals, et cetera, stopping publishing favouring such, stopping newspapers from mentioning this development a second time, doing everything that power-frenzied men with unlimited cash generally do—first under the leadership of Judge Gary, and since his death merely as ordinary routine.
>
> Instead of sending an ordinary engineer, it would be best to send a G man engineer; only one such could cope with the machinations of the Morgan-U.S. Steel Corporation groups, that are constantly in operation to prevent us on the Pacific coast from making use of our iron ores, coals, et cetera.

That is a very important letter because it deals not only with the iron ores of the western districts of the United States but with the iron ores of British Columbia which it was intended to use when a steel smelting plant could be developed in Washington, Oregon or California.

I also want to put on record a further statement. This is by Mr. Landahl, who appeared before that committee:

> Every time an M.P. or someone of importance starts to press for iron and steel production in British Columbia, the local fifth column says —"let us have an (another) examination of our iron ore resources."

I want to point out here that again and again we have had examinations and reports on our iron ores, one conflicting with the other and these conflicting reports have to

quite an extent been engendered by those opposed to the establishment of a steel plant on the Pacific coast. I continue the quotation:

For forty-three years there have been almost annual "examinations of the iron ore resources of the province of British Columbia." Numerous reports have been expensively printed by the governments.

Then he gives the names of the engineers who have made these reports and goes on to say:

Forty-eight mining engineers of fine repute, most of them, over one every year for forty-three years, and nobody stops this dreadful betrayal of the people.

Beginning of the year 1941, owing to the war, an agitation was on for starting pig iron production and the dominion and B.C. governments were moved to "have an (another) examination of our resources." Arthur G. McKee and Co. of Cleveland was engaged—did the work—handed in report August 20, 1941. The report is marked as printed in 1941.

Copies of this report can now be obtained, but for some considerable time the report was prevented from being printed. I continue the quotation:

Latter part of May I was east and met an engineer that had been in B.C. when the McKee examination was under way. He showed me the report. I went through the same and asked—

Q. Where did you get all these wrong figures from?

A. From Doctor Walker and Mr. Wilkinson.

By the way, Mr. Wilkinson is agent in Vancouver for the United States Steel corporation. The quotation continues:

Q. Wilkinson, who is he?

A. He owns the Morrison Nail Works.

Q. Who took the McKee Company to Wilkinson?

A. Doctor Walker did (Walker is Deputy Minister of Mines).

Wilkinson is the mainland agent for the U.S.S. Corporation—He led the fight against the British Ironmasters in 1922-26.

While we avoided the Morgan-U.S. Steel Corporation, their emissaries ambushed us in every quarter and stopped every source we negotiated with from carrying out their undertakings. Briefly we found that—

(a) They controlled all private finance in the United States.

(b) They could influence in their favour all other finance, governmental and private, here and all other countries.

(c) Only one man in the world ever successfully challenged their supremacy, and that was President Franklin D. Roosevelt.

When the matter was drawn to the President's attention last fall he obtained permission for the erection of a steel plant on the Pacific coast. And where do you think, Mr. Chairman, that steel plant is being built? Away down in the orange groves of California, where the steel interests realize that it must, from its very location, disappear after this war is over. But at least President Franklin D. Roosevelt got action.

To my mind, Mr. Chairman, this matter is extremely serious. I know that the minister may tell us that man-power is short or that he is getting enough steel from the United States and Canada to fill the requirements, but there is no doubt, and I say this without fear of successful contradiction, that if the government had heeded the advice of the members from British Columbia in 1939 and 1940 that steel plant would have been in operation to-day in British Columbia and would certainly have been a great contributing factor in the building of more ships in Canada and in making available more steel.

I do not know whether I am right in saying this or not. But I feel it is pertinent to say at this time that even when the matter was put up by members of parliament from British Columbia in Ottawa last fall they were told by Mr. Kilbourn, the steel controller, that British Columbia did not have the ghost of a chance for a steel plant—did not have the ghost of a chance. So we found it all along the way. Every time we put up the proposition our efforts were thwarted. We were told that steel could be got elsewhere more cheaply than in British Columbia, and that after the war there would be an over-supply of steel. But, Mr. Chairman, the whole Pacific coast market is open there. During this war we have been transporting steel scrap from British Columbia across to the east at a cost of $15 per ton for freight and then bringing it back to British Columbia at $25 per ton freight, and in the face of the fact that British Columbia has an abundance of iron ores, ores with the highest iron content anywhere in the world, and has likewise available ample supplies of coal, and mountains of lime, all of which are on the seaboard.

I pointed out when I started, Mr. Chairman, that I had two objects in view. One was to bring this serious matter to the attention of the house and of the minister, and the other was to endeavour if I could in my small way to help break down the opposition outside this house who up to the present time have been able to thwart the people of British Columbia in developing its natural resources and in developing industries within that province. There is a principle at stake. While I know that it has been attempted unsuccessfully by other corporations, it is my opinion that if this steel cartel could be broken down so that we in British Columbia would be allowed to develop our iron ores, it might be the means of helping us also to break down

other cartels which have been thwarting our advancement, and this must be done if we in British Columbia are to continue our onward march of progress in that province.

I might mention a serious matter that came to my attention the other day, which has to do with cartels but perhaps has nothing directly to do with steel. A canning manufacturer in New Westminster, who has built up a wonderful business, was approached some weeks ago by certain interests who wanted to buy that business. He told them it was not for sale. They offered him a wonderful price and he said, "No; it is my life's work, an industry I have built up by my own initiative." He was told by these men who approached him, "All right; keep it, but if we can we will put you out of business." That is extremely serious.

Mr. HOWE: That is a very serious charge, and the hon. member must give full particulars, the names of all parties, so that steps can be taken.

Mr. REID: I will tell the minister what I will do, to be fair. I will give him the names in confidence.

Mr. HOWE: Not in confidence; give me the names.

Mr. REID: I will give the minister the name of the man who was approached.

Mr. HOWE: And the name of the man who approached him, I think.

Mr. REID: I will try to find that out. I did not hear the name of the man who approached him, but I was very much impressed by the statement because it did not come from an irresponsible person, and I brought it in here to show that there are certain interests in this country who are determined that certain provinces, either east or west, will not progress or have certain industries. As the minister knows, I have stood in my place, as was my duty, and pointed out the danger of centralization of industries in the country. It is not the easiest thing to stand against the government or the minister, and I am not blaming the minister for this matter of steel because it has been going on for thirty or thirty-five years. But he has men outside in his department who are not giving him right advice, or if they are giving him advice it is negative: do not allow British Columbia to develop; they do not need it.

I felt I was carrying out the trust given me by the people of New Westminster in rising in my place and in my humble way bringing the matter to the attention of the minister and of the house in the hope that it might do some good in helping to break down, if possible, these outside of governments themselves who up to the present time have controlled to quite an extent the industrial life of this and other countries.

Mr. COLDWELL: I am sure that hon. members will forgive me if I do not follow their arguments through. I have listened with interest to the hon. member for New Westminster (Mr. Reid). I read the United States evidence to which he referred, and I heard the evidence given here last autumn. I believe he was thoroughly justified in bringing before the committee the question of the manufacture of steel on the Pacific coast of Canada.

The statement which the minister made on Friday was of an extremely creditable achievement. I think the whole house will agree with that assertion. It indicates what industrial planning, even when it is taken, if I may say so, rather unwillingly and under pressure, can do for a nation. Of the various phases of the minister's statement, members of our party in this house will have something to say subsequently. Taken as a whole, the record indicates what this country can do when it has a well-defined purpose in view.

Mr. McIVOR: And leadership.

Mr. COLDWELL: What we have done for the fell purposes of war we ought to do when the war is over for the purposes of peace. The minister said, as the hon. member for Lake Centre (Mr. Diefenbaker) quoted him:

> Canadian industry has developed remarkably under the stimulus of war. Never again will there be any doubt that Canada can manufacture anything that can be manufactured elsewhere.

We must see to it that we do not have cause to regret that during this process of war we have fastened upon the country policies and perhaps industries which may not eventually result in the public interest. Having said that, I want to say something about another cartel. The hon. member for New Westminster referred to the steel cartel.

Considerable interest has been aroused in Canada with regard to the contracts made by governments, including the Department of Munitions and Supply, with Aluminum Company of Canada, which the minister mentioned during the course of his remarks the other day. Let us get this clearly in mind. This company is a fully-owned subsidiary of Aluminium Limited, which was the creation in 1928 of the Aluminum Company of America. The Aluminum Company of America controls 100 per cent of the domestic aluminum in the United States, and its Aluminium Limited, through its control of the Aluminum Company of Canada, controls 100 per cent of the aluminum production of Canada.

Aluminium Limited is the corporation through which the Aluminum Company of America enabled itself to cooperate with the international cartel which was promoted by its creature, Aluminium Limited, and under which Aluminum Company of Canada operates as its fully-owned subsidiary.

There are, as far as I am able to find out, few parallels, either in the United States or in Canada, of corporations which constitute such an entire monopoly of vital industrial and war material as these companies control. They are able to exercise price fixing, to restrain production, to control raw material and the necessary electric power to produce and manufacture aluminum and aluminum products.

For fifty years Aluminum Company of America, later, its creature, Aluminium Limited, and the latter's fully-owned companies together have obtained, and for nearly half that time maintained, complete control of one of the most profitable industries in the world. It is to this giant trust that Canada has given, through permitting it to write off during the war the cost of its plant extensions and three-fifths of the new power plant "Shipshaw", what amounts to a bonus of $154,500,000 in one area on the Saguenay river. In addition to the write-offs, under certain circumstances, and in some instances in one year, they give further bonuses amounting to over $23,000,000, making in all a total of $177,000,000.

These are not advance payments for aluminum, as some people are saying. Canada gets no rebate in price on account of these enormous concessions. In addition, the United States government has advanced to it, as of March 24, 1943, the sum of $68,500,000, enabling it more than to pay for entirely the power plant costing $64,500,000. The advance payment of $68,500,000 is to be paid off by a deduction of five cents a pound on every pound of aluminum supplied to the United States Metal Reserve Company. No such provision exists in regard to the price paid for aluminum by the British and Canadian governments. I am not going to discuss the agreement made by the British government. In my opinion, the agreement made between the Aluminum Company and the British government is the saddest of the four. The Minister of Munitions and Supply said in the house that there was only one price to all governments for aluminum. I had made the statement that there were two prices, fifteen cents for aluminum supplied to the United States for its own purposes, and seventeen cents for aluminum to be used in connection with the lease-lend programme. The minister stated that the price throughout was to be fifteen cents, to the United States, to Canada, to Australia and to Great Britain. On March 23 the minister drew attention to an article reprinted in the Ottawa *Journal* from the New York publication *P M*. This dispatch stated that the agreement between the Aluminum Company Limited of Canada and the United States government provided for payments of fifteen cents a pound for aluminum destined for its own use but seventeen cents a pound for lease-lend use. The minister said that the statement was wholly erroneous, that all the aluminum produced in Canada is sold at the same price to whoever buys it; in other words, the price to Great Britain in Canada is the same as the price to the United States in Canada, and the price that Canada pays for aluminum is the same price that Australia pays.

Now I have before me a copy of a letter, which I obtained when I was in Washington recently, written from the office of the Secretary of Commerce, Washington, and dated March 24, 1943. It is addressed to Senator the Hon. Harry S. Truman, United States Senate, Washington, D.C. and is signed by Mr. Jesse H. Jones, United States Secretary of Commerce, and written one day after the Minister of Munitions and Supply made in the house the statement to which I have referred. The letter clearly indicates that there are two prices: fifteen cents for eighty per cent of the aluminum, and seventeen cents for twenty per cent of the aluminum supplied to the Metals Reserve Company of the United States, or, in other words, to the United States government's metals control organization. I want to read this letter:

Dear Senator Truman,—

In reply to your inquiry about Metals Reserve Company's purchases of aluminum from Canada, beg to advise that May 2, 1941, at the request of OPM, Metals Reserve Company contracted with the Aluminum Company of Canada for the purchase of 170,000 metric tons (374,680,000 pounds) of aluminum at 17 cents per pound, the then prevailing price of aluminum in this country.

This contract and all subsequent contracts in this programme were approved by the president.

In connection with the purchase, the aluminum company required an advance of $25,000,000, which we agreed to make at two per cent interest. Such advances are authorized in connection with the purchase of critical and strategic materials under section 5d of the Reconstruction Finance Corporation Act, as amended, and do not require interest. The interest was computed to equal 0·295 cent per pound of aluminum, and in drawing the contract this was deducted from the price of 17 cents. The advance was to be reimbursed at the rate of 6⅔ cents a pound of aluminum delivered.

Substantial advances on purchase contracts of critical and strategic materials have been made to China and Russia, and in connection with purchases in some Latin-American countries.

May 13, 1941, OPM requested that the initial contract be doubled. This was concluded at the same price. The company asked for an advance of $25,000,000 against this contract, and a loan for this amount was made to it by the Export-Import Bank at three per cent interest.

In negotiating contracts with the Aluminum Company of America to build and operate aluminum plants in the United States for our account, we secured a reduction from Alcoa—

The Aluminum Company of America.

—in the price of aluminum in the United States from 17 cents to 15 cents per pound, thereby saving the government a great many millions of dollars.

I want to draw attention particularly to this paragraph:

After getting the reduced price from Alcoa, we asked the Aluminum Company of Canada to reduce their price from 17 cents to 15 cents, notwithstanding we had contracted to pay 17 cents. The company was reluctant to reduce the price since they were getting 17 cents from the British and Canadian governments. However, we finally prevailed upon them to reduce the price to 15 cents on 80 per cent of the shipments. To get this reduction in price, we waived the interest on the advances, and made a reduction in the amortization requirements. The reduction from 17 cents to 15 cents saved Metals Reserve Company $16,000,000, while only $2,500,000 was waived in interest. This revision of the previous contracts provided for an increase in our purchases of aluminum from Canada to 1,000,000,000 pounds.

February 23, 1942, we were requested by WPB to increase the purchase of Canadian aluminum by an additional 370,000,000 pounds. These purchases were made at the reduced price schedule. The latter contracts also provided for advances against deliveries.

Total loans and advances to date in connection with all purchase contracts aggregate $68,500,000, and repayments have been $15,919,477. Total amount of aluminum contracted for is 1,370,000,000 pounds, and deliveries to date have been 368,000,000 pounds.

The contracts made provision for a fixed basis of cancellation on any part of the aluminum that we might determine not to buy.

Metals Reserve Company has had no control over the expenditure of the loans and advances, that is, whether they were to be used for working capital, plant, expansion, or otherwise.

Sincerely yours,

Jesse H. Jones,
Secretary of Commerce.

Mr. HOWE: Will the hon. member table that letter?

Mr. COLDWELL: That letter is tabled.

Mr. MACKENZIE (Vancouver Centre): Is that a copy?

Mr. COLDWELL: It is a copy. But the contents of the letter have been checked. When I returned to Ottawa and read again the minister's speech made on March 23, I thought perhaps I or the stenographer who copied the letter had made a mistake in the date, and consequently I telegraphed Washington to have a check made of the date of the letter. I received this reply:

Re your telegram this morning offices Jesse Jones and Senator Truman both confirm March 24 1943 date on Jones letter.

Mr. HOWE: May I interrupt for a minute? That letter is not inconsistent with what I said in the house. I was not aware of the arrangement with the Jesse Jones agency—the Metals Reserve Company, I believe it is called—because it did not pass through the Department of Munitions and Supply. It was a contract between the Metals Reserve Company and the Aluminum Company of Canada Limited. The first intimation I had of it was an intimation from a United States source that a price of 15 cents has been contracted for with the United States agency. I immediately advised the Aluminum Company of Canada that the price to Canada and the price to Great Britain would also be 15 cents, and that was accepted and the contracts were revised accordingly. The fact that the Metals Reserve corporation did not make a price of 15 cents for their total purchase is news to me. But what I intended to say was that existing contracts between the Aluminum Company of Canada and Britain—in the meantime the British government had appointed me their agent to deal with aluminum matters—were revised on a 15 cents basis converted into Canadian funds.

Mr. COLDWELL: Well, it will be noted that the Aluminum Company of Canada was reluctant to reduce the price from 17 to 15 cents to the United States government because they were getting 17 cents from the British and Canadian governments.

Mr. HOWE: Yes; but may I say that there is a vast difference in the relative positions. The new plants in the United States were built with funds furnished by the United States government and are owned by that government, whereas the Aluminum Company of Canada were making metal in plants which they themselves owned.

Mr. COLDWELL: I shall have something to say about that in a few minutes, but I would draw the minister's attention to this, that 15 cents and 17 cents a pound were the exact prices originally agreed upon among members of the international cartel which was formed in 1931. That is the cartel known as Alliance Limited, a cartel which, by the way, included Farbenindustrie of Germany

until 1942. Indeed, as far as the parent company of Aluminum of Canada is concerned, namely, Aluminium Limited, so far as I know it has not been dissolved; that is, the cartel of which Farbenindustrie was a part.

On May 14 I also drew attention to the fact that the prospectus of the company referred to what was termed a reduction in the base selling price of aluminum, and I noticed that the minister used the same words in March. I concluded that there must be some provision for some price other than the base price. I understand that some four contracts were made between the Metals Reserve Corporation and the Aluminum Company of Canada, and of course these contracts have been referred to on the floor of congress; references will be found at page 1943 of the congressional appendix, by Hon. John M. Coffee. I understand that these contracts contain what is known in the United States, and sometimes in Canada too, as an escalator clause, which provides that in the event of certain costs, including wages, raw material, transportation or insurance increasing, the price shall be advanced proportionately and accordingly. So that there is another price than the one mentioned in the contract. In other words, the price referred to in the prospectus as the base price of fifteen cents or seventeen cents, as the case may be, is only a base price, the actual price may be higher. Whether even the minimum price of fifteen cents is fair and reasonable is a matter to which I wish to draw the attention of this committee.

In the meantime I am going to ask the minister to tell the committee, when he has something to say, what are the actual prices per pound we have paid and are paying for aluminum, now and since the outbreak of the war. In the course of an investigation into the operations of the Aluminum Company of America, and in a brief submitted to the courts on behalf of the United States government, references are made to the cost of producing commercial ingots at Arvida in the year 1937. Not only will you find the reference there; it will be found also in the annual report of the company for 1937 or 1938, when Mr. E. K. Davis, president of Aluminium Limited, made the statement that they were selling some aluminum at thirteen cents a pound and that this gave Aluminum of Canada a profit of four cents a pound, giving a cost at that time, estimated in that way, of nine cents a pound; and it was admitted by the company before the United States courts that in that year, with a relatively small production, with the equipment then installed and including in the price the profits made by the subsidiary companies in the production of bauxite, power and so forth, the Arvida plant was producing commercial ingots at a price of 8·93 cents a pound. To-day the new aluminum plant, with the latest, most modern and most efficient machinery, producing, as the minister told us on Friday, six times as much aluminum as in 1939, still charges fifteen cents and seventeen cents a pound as a base price.

Mr. MacNICOL: That is a profit of 100 per cent.

Mr. COLDWELL: With the vastly increased production and the more modern equipment, Aluminium Limited at its subsidiary's Arvida plant should produce the metal at a much lower figure than in 1937. Let me repeat that the prices set by the corporation and agreed to by the government are the prices set in 1931 by the international cartel, Alliance Limited. Again let me remark that if the sister company, the Aluminum Company of America, with higher labour costs and more expensive power, can produce the metal and maintain its very high profits, as it has done and is doing, on the basis of fifteen cents a pound, then obviously the Aluminum Company of Canada is able to produce and sell aluminum to the Canadian, United States, Australian and other united nations governments at a price considerably less than that at which the United States company can sell to the government of that country.

I say the united nations are being sold down the Saguenay river by these agreements; that while our people are called upon to sacrifice, and while Canadian boys are giving their lives in a great cause, this giant corporation is receiving profits and properties which will enable it after the war to maintain a monopoly which will dominate electric power resources and the production of aluminum on the American continent and to a large extent throughout the world. This is a serious condition, and I intend to prove these statements this afternoon, if I have time.

To understand the effect of the government's policy in regard to the aluminum companies it is necessary to delve into their history and to trace, as briefly as possible, the steps by which they have secured their stranglehold both on aluminum and on the nations. I shall take the Aluminum Company of America first, because it was originally the parent of all the companies affiliated with Aluminium Limited. It can be shown that this has been a highly profitable monopoly for many years. An analysis of the financial history of this corporation reveals the enormous profits made by the owners. In 1905 the original capital, including not only cash but

stock issued in payment for patents, amounted to not more than $3,121,600. Thirty years later, in 1935, the original investment, without the investment of another cent raised from themselves or from the public, gave the owners assets in Alcoa and its creature, Aluminium Limited, totalling $167,500,000. By 1942 those assets had jumped to over $350,000,000 for Aluminium Limited alone. In the twenty-five years from 1911 to 1935 the profits available for securities representing the original investment of $3,121,600 totalled $240,000,000, indicating an annual return of 282 per cent. Out of this some $81,274,000 was paid in cash dividends, representing a cash return of 100 per cent per year paid on the original investment. Imagine what will be the vast increase in the assets of the corporation as a result of the accelerated depreciation now being granted by Canada! This enormous accumulation of wealth, representing mainly gains derived from monopoly power and privileged access to valuable hydro-electric resources, has been concentrated in the hands of a mere handful of people. There has been no wide diffusion of ownership of aluminum shares, some ninety per cent of the stock being held by directors and members of their families.

It is to this company that the governments of Canada, the United States, Great Britain and Australia are giving millions of dollars over and above the real value of the aluminum during the course of the present war. That is what the agreements really do.

The lifelong policy of the aluminum corporation has been to maintain high prices for its product, the effect of which has been to restrict its use. General Motors, for example, abandoned its use years ago on account of Alcoa's arbitrary price-fixing policy. The Ford Motor Company about the same time turned to steel in order to escape the monopoly stranglehold. Other companies followed the same path. On the eve of the expiration of its original patents, in 1906 and 1909, it entered upon a plan to secure control of raw materials which might be used by any possible competitor. It secured agreements with three of its most profitable competitors not to supply bauxite to other producers or manufacture aluminum for periods of forty and fifty years. It undertook to tie up the principal water-power companies in North America so that no competitor could obtain electric power for the manufacture of aluminum. This it succeeded in doing.

For example, on August 14, 1899, Alcoa entered into a contract with the Shawinigan Water and Power Company of Shawinigan Falls, Quebec, Canada, for the supply of power. Like its other contracts for power, this contract contained a restrictive covenant by which the power company agreed that it would not use its power for the manufacture of aluminum, or sell power to any manufacturer of aluminum other than Alcoa. Section 12 of the contract provided:

> In consideration of the agreement by Aluminum Company of America that the power generated by the water privileges granted by this contract shall be used for the purpose of the manufacture of aluminum and such purposes as may be incidental thereto, and for lighting and heating the premises of said second party and for no other purposes, the Shawinigan Water and Power Company of Shawinigan Falls, Quebec, Canada, agrees that it will not furnish water or water-power to any other person, corporation or organization engaged in the business of manufacturing aluminum and further that said Shawinigan Water and Power Company itself will not use water or water-power for or in connection with the business of manufacturing aluminum during the continuance of this contract, or of any renewal thereof, it being the true intent and meaning hereof that with respect to the manufacture of aluminum the rights to be granted and conveyed unto the Aluminum Company of America shall be sole and exclusive.

Section 16 of the contract gave to this restrictive covenant the status of a covenant running with the land of the power company. The contract was to continue for a period of ten years, subject to successive renewals for periods of ten years. Subsequent contracts renewed this covenant, and it is still in effect. Contracts of exactly similar sort were made with Niagara and other power corporations, so that eventually Alcoa controlled power everywhere along the St. Lawrence in Canada and the United States. One might properly remark that Canada's Combines Investigation Act is a dead letter, so far as these giant monopolies are concerned.

As early as 1896 Alcoa entered into an agreement with its only competitor, a Swiss company, to divide the world markets between them. But by 1901 French and British companies had made their appearance so that it became necessary to enlarge the cartel. In order to get around the United States Sherman anti-trust law, the Alcoa formed a Canadian subsidiary, the Northern Aluminum Company, and from that day to this it has endeavoured to circumvent United States laws with respect to trusts and cartels by using Canadian corporations.

From 1919 to 1925, George D. Haskell, president of the Baush Machine Tool company, endeavoured to find ways and means of manufacturing his own aluminum. He got in touch with James B. Duke, the owner of the power plant and water power on the Saguenay river. As soon as Arthur Vining Davis, the president and financial genius of

the Aluminum Company of America, heard of it, he saw Duke and negotiated a merger with him whereby Duke became a partner and one of seven directors with the ownership of fifteen per cent of the common stock and one-ninth of the preferred stock. Duke had paid $1,000,000 for the Saguenay power sites which the province of Quebec had alienated for $40,000. The market value of the stock which Duke received for the Shipshaw or lower Saguenay site was approximately $40,000,000. He retained the upper site which Duke-Price Power had already developed.

Duke died in 1925, and in 1926 Alcoa acquired 53⅓ per cent control of the Duke-Price Power Company which owned the upper development and immediately entered into a fifty year contract with it to take 100,000 horse-power at a total cost of $60,000,000.

By these measures all contemplated competition was eliminated.

I do not propose to go into the methods by which bauxite deposits were acquired in the United States, British Guiana, Dutch Guiana and elsewhere. Suffice it to say that similar methods were followed, and successfully.

An interesting sidelight of the character of the economic barons into whose hands the government's policies are delivering Canada, is shown by the manner in which they succeeded in obtaining a large block of shares willed by Charles M. Hall, the inventor of the process, to the American Missionary Society. Within a few months of acquiring the stock from the beneficiaries at $5 a share, it was selling at $79 a share. The earnings on this stock that year, 1925, was $13.22 a share. Davis acquired over 61,000 of these shares for himself, and some 49,000 of them went to Duke in part payment of the power site.

Meantime in 1924 the Northern Aluminum Company, the subsidiary of the Aluminum Company of America, had become known as the Aluminum Company of Canada. Its business had expanded into the making of aluminum wire and sheet and it owned bauxite deposits in British Guiana. With the acquisition of the Duke-Price Power Company it changed the name of the Duke-Price Power to the Saguenay Power Company Limited and entered, as I have said, into the fifty-year contract to take power at a total cost of $60,000,000. This contract was guaranteed by Alcoa.

Now the stage was all set for the creation of a world cartel into which Alcoa could not enter on account of the United States anti-trust laws. It remembered that in 1912 the United States Department of Justice had ordered the dissolution of the agreement with the Swiss company. But it also remembered that through its subsidiary, the Northern Aluminum Company, it had entered into agreements designed to control sales outside the United States. As a result it succeeded at once, in 1912, in raising the price of aluminum in the United States from 17 cents a pound to 26·46 cents a pound. After the world war it entered into various informal agreements and understandings to restrict competition and maintain high prices. As can be established from the records, between 1921 and 1927, it supplemented these agreements by acquiring producing facilities in the home markets of foreign producers, notably Norwegian.

In 1928, the directors of Aluminum Company of America decided that they were sufficiently strong to dominate the world. Because the Sherman anti-trust law made their own entry into a world cartel dangerous, they decided to form a new company under Canadian law. Thus they created Aluminium Limited and at once transferred to it thirty-three of its foreign subsidiaries, including the Aluminum Company of Canada. How closely these companies remain one is shown by the ownership of stock in them. The latest report I have been able to secure, that of 1938, shows that 81 per cent of Alcoa stock is held by the people who also hold 83·93 per cent of the stock of Aluminium Limited which now became the parent company of the Aluminum Company of Canada, which it owns fully, and thirty-two other companies outside the United States. It is of the parent company, Aluminium Limited, that our minister at Washington, Mr. Leighton McCarthy, is a vice-president and director at the present time.

Mr. HOWE: No.

Mr. COLDWELL: Yes, excuse me.

Mr. HOWE: Not at the present time.

Mr. COLDWELL: Unless he has resigned in the last three weeks.

Mr. HOWE: He resigned last February.

Mr. COLDWELL: That was from the Aluminum Company of Canada. I asked Mr. McCarthy when I was in Washington three weeks ago the direct question as to whether or not it was true that he was a vice-president and director of the parent company, which I had miscalled the Aluminum Company of the United States, but which I should have called Aluminium Limited, and Mr. McCarthy's reply was this: "Yes, I am a director of Aluminium Limited, and I am intending to remain a director of that company."

Mr. KNOWLES: And vice-president.

Mr. COLDWELL: And vice-president as well. There is no disputing the fact that Mr. McCarthy told me that himself. However, that is a point I am going to take up with the Prime Minister on external affairs estimates when I shall refer to the statement which was read to the house and which I described at the time as a deliberate concealment of the truth. I shall have something further to say when the Prime Minister is here.

It is significant that shortly after, in 1931, the heads of French and British aluminum companies visited the United States and met Arthur V. Davis with a view to entering upon mutually satisfactory argeements regarding aluminum. The new company, Aluminium Limited, had already been organized in Canada to handle foreign business. It was obvious then and emphasized by events afterward that Alcoa would be left undisturbed in the United States market. Aluminium Limited was organized not as a 100 per cent subsidiary of Alcoa, as was Northern Aluminum Company which preceded it, but ostensibly as an independent Canadian Corporation, thus not subject to United States law. Arthur V. Davis made his younger brother, Edward K. Davis, president of the new parent company and chose as directors men who had long been associated with the Aluminum Company of America or the Aluminum Company of Canada or with other wholly owned subsidiaries. The two corporations had, as I have already said, almost identically the same stockholders.

From that time on Aluminium Limited worked with the European cartel. It entered into price fixing agreements with respect to various markets and all kept out of the United States where Alcoa had a free hand and the same prices. In 1930 the Davis brothers promoted a new cartel. The heads of the European companies journeyed to the United States where they were met by Arthur and Edward Davis. In order to avoid running foul of the anti-trust law, they moved to Montreal, the happy hunting ground for corporations, to negotiate the terms of the new agreement.

The result was the formation of the Alliance; the Alliance foundation agreement was executed in Paris on July 3, 1931, and about three months later it was duly incorporated in Switzerland with two Aluminium Limited employees as manager and assistant manager of the whole cartel. Price fixing and suppression of competition by the Alliance were made effective by three major devices: first, by fixing an Alliance buying price; second, by removing surplus stocks of aluminum from the world markets and, third, by the alleviation of production quotas.

[Mr. Knowles.]

The Alliance buying price was reconsidered usually every three months. The buying price represented the price at which the Alliance pledged itself to purchase any unsold aluminum from its members periodically. Since it was unnecessary to sell any surplus on the world market, the buying price became the fixed minimum price for the world. To make control doubly sure, the Alliance fixed production quotas based on the export prospects at the time. Under this allotment Aluminium Limited was permitted 28·58 per cent; the French company, 21·36 per cent; the Swiss, 15·42 per cent; the two German companies, which subsequently became a part of the nazi industrial system Farbenindustrie, 19·64 per cent, and the British, 15 per cent. The immediate result was that production of aluminum was cut down to eighty per cent, and subsequently to fifty per cent of normal. There were some smaller producers with whom Alliance also made arrangements to curtail their production.

Alcoa could not join the cartel. It had a surplus of aluminum, but this was immaterial because Aluminium Company, the predominant partner in Alliance Corporation, was Alcoa's creature. There was no danger of the surplus aluminum entering the world market without Alcoa's consent. Indeed, the original Alliance agreement of 1931 permitted Aluminium Limited to supply Alcoa with aluminum in the United States without including these amounts in its production quota. This was changed in 1936 when a system of fines for exceeding quotas was substituted.

The Alliance continued to fix prices and allot quotas until March 31, 1938 when unprecedented rearmament demands rendered restriction unnecessary. By this time Germany had become the greatest producer of aluminum in the world. It is interesting to note that the world price was set originally at £70 gold per ton, but that in accordance with the agreement of 1931, Aluminium Limited was allowed to export to the United States to Alcoa outside the allotment. This was largely accomplished by setting a price in the United States to purchasers other than Alcoa of £80 gold per ton, thus preventing effective competition in aluminum products with the several United States subsidiaries of Alcoa in that country.

In a letter produced in the district court of the United States for southern New York in 1940, dated January 25, 1932, and addressed to Aluminium Limited, McDowell wrote the following instructions:

For shipment to U.S.A., you should fix your ingot price to your largest U.S.A. customer at

15 cents (U.S. currency) per pound f.o.b Arvida, and to other customers at 17·2 cents, f.o.b. Arvida. The A.C.O.C. (Aluminum Company of Canada) will accept your ingot orders for shipment to U.S.A. at 15 cents U.S. currency per pound f.o.b. Arvida.

This letter is particularly important because it indicates that Aluminium Limited was not a competitor with Alcoa in the United States market and that fifteen cents a pound is the equivalent of £70 gold per metric ton. A universal minimum price had been set. But it is also important for another reason. Read with the letter of Mr. Jesse Jones to Senator Truman of the United States, wherein Mr. Jones states that the United States was on March 24, 1943, paying fifteen cents for eighty per cent of its aluminum and seventeen cents for the remainder, it proves conclusively that the Canadian unit of the world cartel is at this moment maintaining the cartel's world price for its product supplied to the united nations.

It will be remembered that I mentioned earlier the formation of a previous cartel in 1912 and its effect upon aluminum prices in the United States. Waltz of the Bremer and Waltz Company of St. Louis testified before the United States court—I have these records —that he purchased imported aluminum in 1910 and 1911 at 10½ cents a pound, and that American aluminum had been selling in the United States, before April, 1912, when the cartel was formed, at 16½ cents a pound. Following the agreement the United States price rose to 26½ cents a pound.

When we remember that with inefficient methods and small production foreign companies could deliver aluminum f.o.b. United States ports for 10½ cents a pound in 1911, we can get some idea of what prices of fifteen and seventeen cents a pound mean in 1943. Indeed, as lately as 1929, a year of high prices industrially, Aluminium Limited was selling aluminum to Alcoa at thirteen cents a pound, f.o.b. Arvida, and a contract was made at that price for 75,000,000 pounds. Again let me repeat that the cost of producing aluminum ingots at Arvida in 1937 was referred to by Mr. Davis in his annual report and was reported to the United States authorities as 8·93 cents a pound, without any deductions for inter-company profits on electric power, bauxite, et cetera, which they were collecting in addition.

Since then there has been enormous expansion both in power facilities and in plant for the production of aluminum. Contracts for 1,380,000,000 pounds of aluminum have been made with the United States alone, to say nothing of contracts with Britain, Canada and Australia. The newest, most efficient, most economical pots for smelting have been installed at Arvida with almost unlimited hydro-electric power. No wonder that the estimate was given to me that under ordinary circumstances, with the usual provision for amortization, and with vastly increased production, aluminum could be produced at Arvida for about six cents a pound. Lest this should be disputed, let me add of Aluminium Limited that from 1931 to 1933 the fully-owned subsidiaries of the company including the Aluminum Company of Canada operated at only fifty per cent of capacity, that the Aluminum Company of Canada operated at only thirty-five per cent of capacity in 1933 and 1934, at forty-six per cent in 1935, and at fifty-one per cent in 1936. Yet the 1943 prospectus of the Aluminum Company of Canada, which I have quoted before in the house, states:

> The company has realized net income from its operations every year since its incorporation in 1924. Dividends on the common shares have been paid in every year since 1924.

Furthermore, in the year 1932, Aluminium Limited was paying about a million dollars a year to the Upper Saguenay Power Company for electric power which it did not use, nor did it use any substantial power from the lower Saguenay development between 1925 and 1938, although the enormous investment had to be carried as a part of their expenses. Now they are using all available power, with new and modern aluminum pots and equipment, and the governments are paying prices of fifteen cents and seventeen cents a pound as decided by the Alliance agreement in 1931.

Thus it may be safely assumed that the cost of production has been drastically reduced since 1938 inasmuch as increase in production and the freezing of relatively low wages will tend to lower unit costs rather than to raise them. The conclusion is inescapable that as far as aluminum is concerned the monopolistic power of the Aluminum Company of America exercised through its creature in Canada, Aluminium Limited, is exacting from the united nations—with the consent of the government—a toll unparalleled in history. I submit that the agreement is improvident and against Canada's best interest.

Mr. HOWE: To what agreement does my hon. friend refer?

Mr. COLDWELL: The general agreement with the Aluminum Company for the expansion of their plant, for increasing their electric power, the agreements regarding depreciation allowance, the price of aluminum—the several agreements.

To argue that because Sir Stafford Cripps or someone else expressed appreciation of the

quality and quantity of their product, the contracts and agreements are sound is to deceive oneself and the country. I have no doubt their product is good. I have no doubt the quantity is satisfactory. I have no doubt that the material is vital, but I am not overlooking the fact that they dictated their own terms. Look again at the letter written by Mr. Jesse Jones on March 24 last.

Mr. GRAYDON: What year?

Mr. COLDWELL: This year, 1943. He says:

> We asked the Aluminum Company of Canada to reduce their price from 17 cents to 15 cents, notwithstanding we had contracted to pay 17 cents. The company was reluctant to reduce the price since they were getting 17 cents from the British and Canadian governments.

Nothing in this to merit any thanks from Britain or from Canada. On the contrary, it seems clear they were out to get all the traffic would bear, while Canadian boys died across the seas and our people at home worked and saved to prosecute the war.

But there is another and, in the long run, a more serious aspect to this situation. I have shown, I think conclusively, that we are dealing with a group of industrial barons whose chief aim has been to make money and obtain world-wide power. Yet it is to this organization the several governments have given, or advanced, over $300,000,000 in one form or another during this war. It is easily the greatest financial grab ever pulled off in the history of Canada.

Cost-free new aluminum facilities, and the power plant at Shipshaw will do two things: (1) enable them to control more effectively than ever the light metal industry of the world and (2) undersell publicly-owned power in the northeastern part of North America.

I have shown the interest of the Aluminum companies in electric power at various stages of their development. From the evidence, there can be no doubt whatsoever that the effective control of power and power development was a weapon used to prevent the establishment of rival companies. Thus their complete control and war-time development of the whole of the power resources of the Saguenay river are ominous from that point of view.

In spite of various attempts on the part of the Hydro Electric Commission of Ontario to obtain international agreements for the development of the St. Lawrence, nothing has been done. The dominant interest in the St. Lawrence area has been and is—including Beauharnois—the Aluminum Company, whose agents have endeavoured at all times to block public power development on the river. But this phase will be dealt with by one of my colleagues.

The CHAIRMAN: The hon. member has spoken for fifty minutes.

Mr. COLDWELL: I should like to finish if I may, Mr. Chairman.

Some hon. MEMBERS: Go ahead.

Mr. COLDWELL: I do not propose now to deal with the labour aspects of this company's activities. They can be dealt with at another time. Suffice it to say, such relations have often been both scandalous and inhuman. Men in the pot room rarely last long amid the poisonous fumes, and the labour turnover in that part of the plant is appalling. Cheap labour, cheap power and high monopoly prices for their product have brought the Aluminum interests untold wealth and economic power.

Now I think I have proved what I intended to prove:

1. That the price we are paying for aluminum is a monopoly price, substantially set by the world cartel in 1931, and out of line with the actual cost of production.

2. That the information given to this house on March 23 was not in accordance with the true facts, because, as the minister now points out, he did not know what the facts were.

3. The minister also denied that the $68,500,000 was an advance, a balance of which might be cancelled and the Aluminum Company thereby relieved of the balance.

Mr. HOWE: I did not say it was not advanced but it was not for the Shipshaw development. It was advanced to build pot rooms for making the aluminum.

Mr. COLDWELL: The minister will find that he said that it could not be cancelled.

Mr. HOWE: The cost of the pot rooms cannot be cancelled. The other can.

Mr. COLDWELL: I was going to draw attention to the letter of Mr. Jones in which he says that the contracts make provision for a fixed basis of cancellation.

Mr. MacINNIS: Is it Jesse Jones or Jesse James?

Mr. COLDWELL: Jesse Jones. To go on with my point:

4. The minister stated that all aluminum produced in Canada is sold at the same price whoever buys it. Mr. Jones' letter states that

there are two base prices, fifteen and seventeen cents. I would ask the minister to tell us the prices actually paid.

5. The electric power development, which was paid for by the government in large measure, in fact wholly if you take the deal as a whole, menaces the future of publicly-owned hydro electric enterprise.

I am asking if the minister will table all the contracts made with the company on behalf of the Canadian, British, Australian and United States governments so that we may see what is in them.

I have placed the facts before the committee without invective, I am certain without exaggeration, and I know without misrepresentation. These are the facts as I have accumulated them. I have got them first hand from first-hand sources. I have no doubt that there are certain people who know the people I visited when I was in Washington and know the offices where I got my information. I assure the committee that my information is authentic and gathered from those who were able to give me the information. I ask, is there an hon. member who will dare now to rise in his place and say that the deal with this giant unit of an international cartel is not, without exaggeration, a grave danger to the country and a public scandal?

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Hon. C. D. HOWE (Minister of Munitions and Supply): The hon. member for Rosetown-Biggar (Mr. Coldwell) made certain remarks about the aluminum contracts, for which he suggests the department has been responsible. I wish to say just a few words in that regard, and I will give the facts asked for at a later sitting.

I think we will all agree with regard to the importance of aluminum in this war. We know that, at the time the first contract was being made, the women of Britain were delivering up their pots and pans, in order that aeroplanes might be manufactured to save the battle of Britain. I am happy to say that Canada was able to make a very substantial contribution of aluminum at that time. Had we not been able to do so, I think it is possible that the battle of Britain, instead of being won, might have been lost. We know the importance of aluminum to-day. Without aluminum the manufacture of combat aircraft is impossible. We know that Canada's tremendous contribution of aluminum has made possible the great expansion in the production of aeroplanes, not only in Britain and in the United States, but in this country as well. That I think has been of very great importance to the war effort, and therefore no one in this chamber will disagree with me when I say that Canada was in duty bound to provide all the aluminum it could, and to take every step that could be taken to that end.

With that premise, we can examine the aluminum contracts. Let me say that the Department of Munitions and Supply has been fighting one battle and one battle only, namely, the battle against the axis. It has not been fighting a battle against trusts and combines. It has not been fighting a battle for one industry as against another, or for one province as against another. It has been trying to mobilize the industrial resources of Canada for the most effective battle against the axis.

We have heard in great deail that Aluminium Limited, the parent company of the Aluminum Company of Canada, is a combine. I daresay that is true. It has been a combine for a great many years, and I presume it is a combine to-day. But whether it is a combine or not, the government has not had time to take up a war against any combine, even though it were inclined to do so. As I say, we have been fighting one war, namely the war against the axis, and we have mobilized Canadian industry, as it was at the outbreak of war, for the purpose of fighting the axis. As a matter of fact, we have tried not to use the excuse of the war for changing the competitive position of any industry in Canada. Every industry has been treated exactly the same as any other. If any industry has come to the Department of Munitions and Supply and said, "We are capable of producing more of any article required for war than we are doing at present; these are our plans for doing so," we have examined the proposal very carefully, and if it could be fitted into the pattern being followed by the department for expansion we have encouraged that industry to expand.

We have done that for every industry. We have not singled out a few industries and said, "We will expand you, but your competitor will have to stay as he is." Any industry that has had the desire and the ambition and courage to expand to meet war needs has been encouraged to do so by my department, and perhaps financially assisted to do so.

Mr. KNOWLES: May I remind the minister that there is no competitor in this case?

Mr. HOWE: Quite so, and there never was a competitor as far as Canada is concerned.

Mr. McIVOR: If you had not this aluminum, what would be the result in the production of equipment?

Mr. HOWE: There would be no aeroplanes, or fewer aeroplanes. As to the dealings of the Department of Munitions and Supply, it has been pointed out that Alcoa, the Aluminum Company of America, was the original company on this continent manufacturing aluminum. It has been pointed out that the Aluminum Company of Canada was organized as part of the Aluminum Company of America. It has also been pointed out that at a certain stage in the development of the aluminum company, the parent company was established in Canada, and that the Aluminum Company of Canada and certain foreign companies manufacturing aluminum were combined under the aegis of Aluminium Limited. There is no question about that.

I might point out that in forming Aluminium Limited as a Canadian company, subject to Canadian laws, and transferring the Canadian holdings of Alcoa to Canada and placing that company under Canadian law, a step in advance was taken as far as Canada is concerned. I think we will agree that any company that is Canadian, subject to Canadian law, is a better citizen of Canada than a company which is merely a branch of a United States company; obviously a company having its head office in another country is not subject to Canadian law to the same extent. However, I may say that so far as I could follow the remarks of the hon. member before the dinner recess, he was quoting from evidence produced by Thurman Arnold in his investigation of the Aluminum Company of America.

Thurman Arnold of course had a great reputation as a trust-buster or of a breaker of combines. Mr. Arnold, as special prosecutor for the government of the United States, conducted a case against the Aluminum Company of America which was in the courts of the United States for more than three years. I am sorry I have not refreshed my memory about the details of the prosecution, but I recall that over 300 charges were brought against the Aluminum Company of America. After an exhaustive inquiry which covered three years, and reams of evidence, the court gave its decision, finding the Aluminum Company of America not guilty on every charge laid by the United States government. So much for the charge that the Aluminum company is a trust and in combine illegally with the aluminum companies throughout the world. I simply state that for what it is worth, but once again I say that the Department of Munitions and Supply has not been conducting a war against combines. It has taken industry as it found it, has tried to get the greatest production possible out of industry, and its purpose is to leave industry in exactly the same competitive position as at the outbreak of war. After the war, under normal conditions, if any government desires to proceed against Aluminium Limited, or against Aluminum Company of Canada as a combine, that will be perfectly in order, but I think every hon. member will agree with me, that we should not use the excuse of war to do something that we cannot appropriately do in peace time, as far as attacking the competitive position of any industry in Canada is concerned.

As to the purchase of aluminum, the first transactions between Britain and the Aluminum Company of Canada were carried out without Canadian intervention. The Ministry of Aircraft Production had, and still has, a representative in the United States. It was that representative of the Minister of Aircraft Production who conducted the negotiations with the Aluminum Company of Canada which led to the first British contract. The United States contracts were worked out by the Metals Reserve Corporation, or whatever is the appropriate agency of the United States government, direct with the aluminum company. I have never seen the United States contracts and have not a copy of them. It was news to me that those contracts mentioned two prices. I know that the price change in the United States took place while the contracts were under negotiation. When the first United States contract was drawn, the price of aluminum in the United States was seventeen cents a pound, and the first contract between the United States and the Aluminum Company of Canada mentioned a price of seventeen cents a pound. While a second contract was being negotiated the price of aluminum was revised in the United States, owing I think largely to the fact that the United States government had paid for the building of plants which manufacture aluminum in that country, and had demanded a reduction in price on that account. In any event, at that stage the base price in the United States was reduced to fifteen cents. By that time I had been appointed the agent of the British government in its aluminum transactions. I immediately demanded a reduction in the price of aluminum to Canada and to Britain, to correspond with

the reduction to the United States. That demand was granted, and prices were revised accordingly to Britain, Australia and Canada.

Canada, for her own purposes, has not required expanded facilities. We were entitled to the facilities which were in Canada when the war broke out, and to date we have not required more aluminum than those original facilities would provide. Therefore Canada has not contracted with the Aluminum Company of Canada for additional ingot capacity.

We have been told repeatedly that Canada has financed this expansion with its own funds. That is not true; we have provided no money whatever to the aluminum company for expansion.

Mr. BLACKMORE: Would the minister permit a question?

Mr. HOWE: Yes.

Mr. BLACKMORE: What expansion has he in mind when he says "this expansion"?

Mr. HOWE: Every expansion. Everything that the aluminum company has built in Canada since the war began.

Mr. BLACKMORE: I was just trying to gather what the minister meant. I understood him to say that they did not need to expand—

Mr. HOWE: —to supply the Canadian demand.

Mr. BLACKMORE: That there was already sufficient expansion?

Mr. HOWE: They have expanded vastly, of course, to supply the demand from the United States and from Britain.

We have provided a certain accelerated depreciation. I will divide that into two stages. One is the special depreciation for the expansion required to fill the United States order for aluminum. The United States order was placed with the knowledge that no facilities existed in Canada to fill the order, and that these facilities must be constructed, and constructed as part of the price of the aluminum which would go to the United States. The contract was drawn with the understanding that a loan would be made by the United States sufficient to pay for the pot rooms and other manufacturing facilities, needed to turn out the aluminum required by the United States within the time mentioned in the contract.

Mr. COLDWELL: May I ask the minister a question?

Mr. HOWE: Yes.

Mr. COLDWELL: Was there any restriction in fact regarding that loan? It could be used for anything?

Mr. HOWE: I think there were no restrictions placed on the use of that loan. That, of course, is a matter between the United States and the aluminum company; but the amount was the amount required to pay for the pot rooms, and alumina plants and all other facilities which are required to manufacture aluminum in ingot form.

That contract could have been written differently. It could have been written that the aluminum would be purchased for ten cents, and the equivalent of five cents could have been paid the aluminum company as capital to create the facilities which would manufacture aluminum. In that event there would have been the investment in Canada of so many dollars in capital facilities, which of course would not have been taxable, and there would have been the sale of aluminum to the United States at 10 cents a pound, the profits on which would have been taxable. Had the transaction been framed in that way there would have been no criticism whatever in this house. That type of investment in Canada has been going on for many years, and has been very welcome as a source of capital for industrial purposes in this country.

Mr. KNOWLES: Does the minister feel that there would have been profits at ten cents a pound?

Mr. HOWE: I will cover that presently. You are all set to make a speech; let me continue mine. That would not have been as valuable a transaction for Canada as the present transaction. It probably would, indeed it must, have taken that form had we refused to allow accelerated depreciation on that part of the purchase price which went into fixed capital. The difference would have been this: Had the deal been organized in that way, the Aluminum Company of Canada would own an asset which they would have been allowed to depreciate over the years; as it is, they own an asset which is fully depreciated. In other words, any dollar of earnings that comes from that asset is taxable as income by the Canadian government.

Let me point out to hon. gentlemen that, when anyone invests money in building a manufacturing plant or any other industrial enterprise, he has an obligation from the state that that capital will be returned to him over the years as depreciation. That is a very valuable concession granted him by the state. If you look over the balance sheets of industrial companies, you will find that each year

there is a deduction before taxation of perhaps five or six per cent of the original capital in the form of depreciation. Through accelerated depreciation, the new aluminum facilities will exhaust all rights to depreciation. That write-off can never occur in the future. Therefore, as I say, any earnings which will be made by the aluminum company from these facilities will be taxable in full. So that when we compare the deal which my hon. friend would say would be quite proper—that is, that five cents a pound would be paid by the United States as capital invested in Canada, and the aluminum sold at ten cents a pound—the position of Canada would have been vastly worse as far as taxable income is concerned than is the present situation.

We come now to Shipshaw. I noticed that my hon. friend did not make this mistake in his discussion this afternoon, but in the United States it has been stated definitely that the money which paid for the Shipshaw development was loaned to the aluminum company by the United States. As a matter of fact, the Shipshaw transaction was worked out well before the United States became a purchaser of aluminum in Canada. It was quite obvious that we would be very short of power for war purposes in the Quebec area. The Aluminum Company of Canada, as I have said before, had a partly completed development at Shipshaw on which there had been spent some $35,000,000 and which was producing some 200,000 horsepower. Before the war it was estimated that the expenditure of another $35,000,000 or perhaps $38,000,000 would complete the development and provide a potential one million horsepower at that location.

Mr. MacNICOL: Over a period of time.

Mr. HOWE: Well, as fast as it could be built. It is not finished yet; they are adding new turbines right along; but the dam was there; the construction was there for a million horsepower, and by May of next year the project will be producing a million horsepower. The potential horsepower was needed. It has been suggested that this development was carried out to block the St. Lawrence development. Let me remind hon. members that Canada is committed to the St. Lawrence development; that it has agreed with the United States to proceed with that development, and the St. Lawrence development was blocked not in Canada but in the United States. An exchange of notes took place which put us definitely on record as being willing and anxious to proceed with the St. Lawrence development. Had an agreement been completed, perhaps we would not have been anxious to proceed with Shipshaw; but not having the St. Lawrence development, we could not win the war with its help. We had to have a development that would give results, and therefore we encouraged the Shipshaw development. It has been suggested that we allowed an accelerated depreciation on the entire cost of the Shipshaw development. We did not; we allowed accelerated depreciation on sixty per cent of the cost.

Mr. COLDWELL: I think I said that.

Mr. HOWE: Perhaps so. That percentage was worked out very carefully. Construction costs were soaring at the time. The cost of turbines, which had to come largely from the United States, had more than doubled when the agreement was made. It was obvious that labour was becoming more difficult to obtain, and we were pressing the aluminum company to do the job in half the time they had intended to take when their estimate was made up. After going very carefully into all the factors and studying the question for months—we had engineers studying the possibilities—we decided that if we were to ask the aluminum company to carry out that expansion in war time, in a period of high prices, we were justified in reducing the charges on the plant to forty per cent of the cost, allowing the other sixty per cent to be written off by the company out of war-time profits. That transaction, as I say, was a Canadian transaction; the United States had nothing to do with it. The transaction had been concluded before the sale of aluminum to the United States took place, and the Shipshaw development should not be involved in any way with the transaction that has been under discussion here this afternoon and evening.

There was some other phase of my hon. friend's discussion with which I intended to deal. I will say this, that the Aluminum Company of Canada have carried out their contracts to the letter. They have delivered every pound of aluminum they have contracted to deliver, at the time for which the aluminum was promised. They have shown tremendous courage, taking on great liabilities, in carrying out the expansion that has been required by the united nations for their war programmes. It has been suggested here that the earning power of the aluminum company has been expanded enormously. If that is so, I suggest that it should be reflected in the market price of the shares of the company. Those shares now are exactly the same shares the company had outstanding before the war; they are bought and sold freely on the Montreal stock

exchange. Perhaps the fairest value of any security is its current quotation on the stock exchange.

Mr. COLDWELL: What were they last year? They were 65.

Mr. HOWE: True. What were they in 1939? They were 140. They are about 120 to-day, but before any war expansion took place they sold at 140 and kept around that level fairly consistently. Since the expansion has taken place, the shares have dropped steadily, until about a year ago. In recent months there has been buying that has brought them up to the present price which, as I say, is about 120. I had occasion to look up the price range; I am sorry I have not the figures here, but I would say simply that those who sell at 120 evidently think the company has less earning power to-day than it had in 1939, while those who buy at 120 probably think it is nearly as good as it was in 1939. But there is no class of buyer who seems to believe that these shares should be bought in large blocks at this time, at rising prices.

Therefore, in discussing the relations of the Department of Munitions and Supply with the Aluminum Company of Canada, I think I can say that the aluminum company have given value for anything that has been invested in this country by other governments. They have sold aluminum at the cheapest price at which it has been sold by any country. Incidentally I may say that the aluminum company in England is selling its aluminum at some seven or eight cents more than the price at which it is being sold in Montreal to-day. I think that is all I have to say at the moment; I shall look over *Hansard* and perhaps amplify my remarks to-morrow.

Mr. MacINNIS: What is the actual price Canada is paying for aluminum?

Mr. HOWE: The base price for aluminum to-day is fifteen cents, which may be increased or decreased according to increases or decreases in the cost of wages, transportation and power. The big item in which the cost has advanced is transportation. In the old days bauxite was brought in ships from British Guiana to Ha Ha bay on the Saguenay, and the cost of transportation was very low. To-day it is brought from British Guiana to an island in the Caribbean; there it is transhipped and brought to any United States port from New Orleans to New York. There it is transhipped by rail, and pays rail freight to the Saguenay. That, of course, has added enormously to the transportation costs.

Mr. MacINNIS: Would the minister give the adjustment?

Mr. HOWE: I can give the last adjustment. The last adjustment was about two cents over the base price. It is the same to all powers—to the United States, Canada and England. I will find the effect of the escalator clause in each of the years to which it has been adjusted. It is fixed by Price, Waterhouse and Company, who have been appointed referees for all buying countries, as to the actual differential between the base cost and the present day cost. I might say that the price of power has gone down, the price of wages has gone up slightly, and the price of transportation has gone up enormously.

Mr. KNOWLES: When the minister said that later on he would give the facts asked for by the hon. member for Rosetown-Biggar, did he mean he would table the contracts?

Mr. HOWE: Certainly, such contracts as I have. I have not the first British contract, I never had it. I have not the United States contracts.

Mr. KNOWLES: The minister will table the British contract?

Mr. HOWE: I cannot do that; we are under agreement with the British government not to do so. I will table any Canadian contract I have.

Mr. MacNICOL: Mr. Chairman, the hon. member for Lake Centre (Mr. Diefenbaker) made an excellent speech in connection with the general productivity of industry under the supervision of the Minister of Munitions and Supply. The hon. member for New Westminster (Mr. Reid) gave the committee an informative address in relation to iron and steel production. The hon. member for Rosetown-Biggar (Mr. Coldwell) delivered another informative address on the subject of aluminum, a subject concerning which the minister has spoken for the last half hour.

For the next half hour I shall speak on the subject of oil. Before commencing any detailed discussion I would point out to the minister that while in his opinion it is not the business of the government at the present time to take up questions in connection with combines, the United States government does. They have had exhaustive inquiries and investigations by senate committees into the supply of both rubber and oil. And from what the hon. member for Rosetown-Biggar has said I presume they have had an exhaustive inquiry into the production of aluminum. I believe it is this government's business—any government's business—to see that the people are not exploited. I am not saying that they

are. I am going to wait until other arguments are offered along the lines of those given to-day. But I maintain it is the government's business, in spite of the war to prevent the exploitation of the Canadian people.

As I said on April 14, 1943, I was greatly depressed by the minister's speech on the subject of oil. I had built my hopes on the belief that the time was not far distant when Canada would be independent of any outside sources of oil, both economically and defensively; I had built up that belief in my mind from the exhaustive reports issued by the government's engineers. But I must confess I do not believe the minister—well, I will not say that I do not believe—rather, I have not been convinced that the minister himself is in favour of Canada's becoming independent, in the matter of oil production.

The hon. member for Rosetown-Biggar said that the price of aluminum is much too high. I am convinced that prices of oil and gasoline are altogether too high if, as is said by the engineers of the Department of Mines and Resources, we have—as they have shown—inexhaustible raw tar-sand resources from which to produce oil.

On February 18, 1942, the hon. member for Bow River (Mr. Johnston) asked a question respecting the production of oil from tar sands. On that occasion the minister said:

> It indicates, however—

Referring to a report the minister had.

> —that the location of the sands and the possibility of development is too remote to be of any great use in this war.

The war has been going on now for almost four years. We were in bad shape during the first year. What have we done since? What single thing have we done to relieve the oil shortage situation in this country? So far as I can see, extremely little has been done.

When on April 14 the minister opened his speech he said something I did not like, one, two, three:

> There seems to be an erroneous idea in the minds of many regarding these tar sands. Whether these ideas are due to propaganda, supported by wishful thinking, I do not know.

It is neither propaganda nor wishful thinking upon which I base my arguments in connection with oil production. I base what I say upon thousands—no, I will not say thousands—but upon many miles of hard travel and survey, far into the Athabaska area. I have surveyed, myself, the tar sands there, and have carried out those surveys in the company of some of the greatest oil geologists in the world. One of them is very close to the top in Washington, and anything I have said about tar sands and the possibilities of the production of oil has been based (1) on the reports issued by the government itself—and in my judgment, the Department of Mines and Resources has some of the ablest engineers in America, barring none, so far as understanding the development of oil from tar sands is concerned—(2) on reports of the United States bureau of mines, and the opinions of some of their best engineers and (3) my own observations, in company with engineers who travelled through that area. So that anything I say is not based on wishful thinking or propaganda. So far as I am concerned I am above propaganda. Others may speak for themselves, but I have long been convinced that the time has come for Canada to have a national oil policy, first, to make herself economically independent of any outside sources of oil supply and, second, to make us independent defensively.

What position are we in? If we were attacked by one of even the small nations, a nation which would have command of the air and oil supplies, we would be helpless. And we will continue to be so unless we wake up to the production of oil in Canada in a big way. There is no other way to save our people from the constant threat of lower gasoline rations, the constant threat to the owners of domestic oil-burner equipment, and the constant threat to our defence position.

I have already thanked the minister for sending investigators. However, I would not have sent the same investigators—and it will be understood I have nothing whatever to say against them. They were fine men, but I would have sent engineers from the Department of Mines and Resources. They were by far the better qualified.

Mr. HOWE: They were up there, too.

Mr. MacNICOL: They had surveyed the area for thirty years, and they had drilled holes by the hundreds. Doctor S. C. Ells had traversed over two thousand miles through that area, drawing base lines. He has investigated numerous outcroppings, and had tested the sands in many places. In my judgment there is no better authority on tar sands than Doctor Ells.

Mr. HOWE: Doctor Ells was in charge of the work there.

Mr. MacNICOL: I was there, and I know how little Doctor Ells had to do. I was there, and I make my own investigations. The engineers had been there for one month when I arrived, and up to that time as far as I know, they had little contact with Doctor Ells. If

the minister says they did have, then perhaps a parliamentary investigation will show just how little Doctor Ells had to do in carrying on the investigation of the tar sands area last summer.

I want to make statements which are based only on what I have seen with my own eyes and what I know from my own investigations. I am not much for hearsay. I accept Doctor S. C. Ells' statement. In 1936 he made a statement to a mining engineering convention in Edmonton when he said that after exhaustive inquiry over many years it was his judgment that there were over 500 million barrels of oil available from the tar sands by open-cut method. This is mining that can be carried on without too much trouble by removing the amount of top soil or none at all, and then excavating the tar sand.

Mr. HOWE: After 1936 a mill was built costing around a million dollars and used to develop this oil.

Mr. MacNICOL: I am coming to that.

Mr. HOWE: In 1942 the government tried to accelerate the inquiry. My hon. friend was in the house from 1930 to 1935.

Mr. MacNICOL: I am coming to that. That is what Doctor Ells said in 1936. Then last year he wrote an article for the June issue of the *Canadian National Geographic* magazine in which he stated that after further investigation, that would be between 1936 and 1942, he believed that a billion barrels of oil could be extracted by the open-cut method. The report presented by the minister is based on a six months investigation. I believe that during the first month of this investigation the proper equipment was not at hand to bore holes. Later on they used, I believe, Doctor Ells' equipment. The report submitted on April 14, 1943, stated in effect that approximately 40 million barrels of oil were available by the open-cut method at Steep Bank and on the Horse river. Forty million barrels is a mere bagatelle to what should be there if the reports issued by the Department of Mines and Resources after thirty years investigation are correct. They should be correct. The Department of Mines and Resources should not send out reports based on thirty years investigation that are not correct. I, for one, believe them to be correct. I believe that there is a vast quantity of oil up there. As Doctor Ells says, there are a billion barrels which could be taken out by the open-cut method. And if some engineer should come along with an in situ method of extracting oil in those oil-sand areas where there is considerable top soil, Doctor Ells says that another hundred billion barrels could be obtained. Surely someone will come along some day with a method which will save this country from being dependent on other countries for its supply of oil. With the proper method we would have available a hundred billion barrels, in addition to the billion barrels which Doctor Ells says can be taken out by the open-cut mothod. Doctor Ells is backed up by the mines and resources department engineers. I have talked to a number of them who have carried on investigations out there.

I made two trips to the Fort McMurray tar-sands area in 1941. On the first trip they were having difficulty with the mining. The sands were planed off with a revolving planer, and every now and then the knives of this planer would strike against a nodule, a round, heavy hard lump of the tar sand, and would break off. On the second trip they had adopted the powder-blasting method, and when I was there last summer, my third visit, they were still using this method and were finding it quite satisfactory. The report tabled by the minister states that as far as mining is concerned, it is very satisfactory. They have overcome one of the difficulties suggested by the minister.

Another argument against the development of the tar sands was that the extraction method is not satisfactory. As I said before, the engineers sent up last summer were good men, but I do not think they were there long enough to be able to make a report equal to that made by the mines and resources department after thirty years. But even they stated that the method employed to separate the bitumen from the sand in the Abasand plant was satisfactory. We were told that two things were not satisfactory: First, mining —they say it is; second, the separation method—they say it is.

If these two things are satisfactory, and if the mines and resources department statement that there are inexhaustible quantities of oil in these sands is correct, I should like to know why the minister then fired the company which had been operating this plant. This company had done the pioneering work for the last few years; they had suffered everything but death in trying to keep the plant in operation. There may have been a shortage of money, and I presume there was or else they would have had a better plant. I should like to know why they were fired. The hon. member for Rosetown-Biggar has been talking about a combine. Whom did the minister send up there to produce oil? He did not send outside engineers; oh, no. He sent members of the Canadian Oil company. He made the president of the Canadian Oil company the president of the

reorganized Abasand company. He made the vice-president and general manager of the Canadian Oil company the vice-president and general manager of the Abasand company. Two of the directors of the reorganized Abasand company are directors of the Canadian Oil company.

We want to get out of the hands of the big fellows. We want oil produced in this country and we want it produced at the right price. We have long paid too much for our oil; we have long paid far too much for our gasoline. I have nothing to say against these men, but I would feel more confident if the oil companies did not have a thing to do with the development of oil from these tar sands. I would much rather see this carried on by people who are not personally interested in oil.

Mr. HOWE: Is my hon. friend suggesting that the Canadian Oil company is a great international cartel or anything of that sort? It is one of our smaller companies.

Mr. MacNICOL: I do not suggest that, but I should like to know who are behind the Canadian Oil company. Are they connected with any other oil company?

Mr. HOWE: Not that I know of.

Mr. MacNICOL: Are they associated with Imperial Oil?

Mr. HOWE: No.

Mr. MacNICOL: Are the same men not associated with Imperial Oil? Are they associated with Standard Oil?

Mr. HOWE: No.

Mr. MacNICOL: It will be interesting to find out with whom they are associated. I have no fault to find with them, because they are fine men; but, as I say, I would be better pleased if the Canadian Oil company or any other company producing oil from wells did not have anything to do with the production of oil from these sands. I do not know much about the Abasand people. I met the president only twice and I have not seen him for most of a year, nor have I had any communication from him in that time. What I want to see is oil produced in this country. I want to see this country released from being dependent upon any other country for its oil. We are told by the mines and resources department that the oil is there, and I take their word for it.

I am not going to say that the method of separation used by Abasand is perfect because I do not know enough about it. On the other hand I have made an exhaustive inquiry into oil, and I was extremely interested in reading the report of the United States senate investigating committee into the connection of the Standard Oil company with the production of rubber in Germany. I recommend every hon. member to read thoroughly this report. It tells all about the oil business, too. But I am perhaps a little ahead of my story and I will come back to that later.

The minister said at the conclusion of his remarks on April 14 that every known system had been tried. Let me quote his exact words, from page 2153 of *Hansard:*

> Every known process has been tried, and to-day I think the fact is that no satisfactory process either for mining the tar sands or for extracting the oil in an economical way has been wholly perfected.

I would ask the minister if the Freeman process has been tried. Prior to 1935-36 the government of the day in Canada, or somebody acting for it, after consultation with Freeman, who is a great engineer and expert in the extraction of oil from low-grade coals and so forth, sent a lot of tar sands to London, where they were tested. I have the Freeman report in my hand. It is signed by himself and says in part:

> The actual Freeman extraction method produced a total yield of 36·07 gallons per ton.

That is, from the tar sands which were shipped over to England.

It goes on:

> The oil lends itself easily to refining—

We have been told that it did not.

> —and by the transformation refining method would produce motor spirit, lamp oil, lubricating bases and pitch.

That is out of the tar sands, from which he had extracted 36·07 gallons per ton. The report goes on:

> The above sands are surface sands but at a depth of thirty feet and more would in all probability produce as high as 75 gallons of excellent oil per ton by the extraction method.

I have the full story of the Freeman system here and have made careful inquiry into it. I should like to know later on if that system has been tried out. If not, then all known systems have not been tried.

I would ask further if the Blumner hydrogenization system was tried. The United States senate report gives an illuminating description of the whole oil business. From my studies I gather that in the early twenties a great engineer, Doctor Bergius, whose record I have here, invented the hydrogenization system. He was apparently not able to bring it to the point of operating in a commercial plant, but the great Doctor Blumner perfected the hydrogenization system to work in a commercial plant. Then the great German company I.G.

Farbenindustrie purchased Blumner patents and plant and proceeded to produce oil from coal. Doctor Blumner then, in collaboration with Doctor Fischer brought out his own Blumner process, which I presume he concluded was an improvement on the system which the Farbenindustrie was using. So far as I can understand, it was what I may call an improved Doctor Blumner process which the German government took over to use in the production of oil for Germany. When the war broke out, Germany was producing less than nine million barrels of oil a year, but they took over the Doctor Blumner process for extracting oil from coal by the hydrogenization method. When war broke out, it was thought that Germany would not be able to get enough gasoline for her war machine, but to-day Germany is producing 150 million barrels of gasoline a year and since they conquered that part of Russia in the Donets Basin, they have built another plant there and are producing over ten million barrels a year there. If Germany can do it, why cannot we? Why should we be constantly threatened with having to throw out our domestic oil-burners which I understand would cost the country not less than fifty million dollars, including the coal-burning equipment that would have to be installed, and we cannot get the coal. If we have the oil resources we should have been producing the oil before this. As I said before, the oil controller has done a good job, but had we appointed an oil producer we could perhaps have dispensed with the services of the oil controller and got all the oil and gasoline for all our needs.

Someone asks what is hydrogenization. Mr. R. T. Haslam, a very great chemist with the Standard Oil company, described it in a very neat way. I quote from his evidence before the United States senate committee, at page 5040:

> I want to explain just briefly and simply what hydrogenization is. In principle the process is simple; in practice it is complex.
>
> I have here a lump of coal (exhibiting). I have in this bottle hydrogen (exhibiting). I could show that it is hydrogen by touching a match to it. If there is no air in it it burns like the Hindenburg burned over Lakehurst, with a tough flame. If there happens to be a little air in it, it explodes. So therefore I will not demonstrate it to you.
>
> The problem is how to get those two together and combined chemically so that when we get through we have petroleum in this bottle (indicating). We convert a solid to a liquid. It is a matter of putting coal here (illustrating) plus hydrogen, and coming out with petroleum oil. That is done in complicated apparatus at a pressure of 3,500 pounds per square inch, at a temperature red hot, around 900 degrees Fahrenheit, and in the presence of hydrogen gas.

As I understand it, the hydrogen is introduced and acts as a catalyst and breaks down the molecules of oil in the coal. The oil is separated from the coal, after the moisture has first been taken out of the coal. The place of the water is filled with other oil. The other oil is then recovered, too, and used over and over again. In his speech on April 14 the minister said the hydrogenization system would cost twelve million dollars. That is a small item. The minister has been doing a big job in many lines industrially, a marvellous job, and I know he could do just as big a job in the oil business if he would. I appeal to him to go the limit in trying to produce oil in this country. If we cannot produce ample oil from the tar sands—but I believe we can—we can produce oil from coal. We have lots of coal in Nova Scotia and Saskatchewan and mountains of it in Alberta, from which we could produce all the oil that is required. If we have the will to produce the oil we can lift this country out of the position we are in now and be defensively and economically independent so far as oil is concerned, instead of being under this constant threat of a shortage.

The government could put up a pilot plant and demonstrate that oil can be extracted from coal. All these systems, the Freeman, the Blumner and the I. G. Farbenindustrie extract oil from coal, but they can extract oil from tar-sand bitumen, too.

Doctor Thau was one of the greatest oil engineers in Germany. The German government appointed him to look into the Blumner process, and I have here a copy of his report in which he gives a description of this process. I will quote a paragraph:

> Coal in the pulverized state, is mixed with about an equal quantity of oil with high boiling point, and the mixture after having passed through a heat exchanger is under elevated pressure forced through this set of six retorts in a series at comparatively high rate of velocity. The retorts are connected to each other by a pipe leading from the outlet at the top of one of the retorts to the bottom inlet of the next. These connecting pipes are passed vertically through the heated brick setting to prevent a loss of heat of the fuel in its way from one retort to the next.

This report to the German government, I am informed, was the basis upon which they accepted the process to produce oil, and the fact that they are producing 150 million barrels a year speaks volumes in his favour. I would support the minister to the limit if he would introduce a bill, asking for whatever sum of money he might consider necessary for the purpose of putting up a hydrogenization plant in Canada to produce oil either from our coal or from our tar sands or from our torbanites or from our hydro carbons of any kind.

Mr. HOWE: I appreciate that very much, and it would help me a great deal if I were a little surer of the future of the Progressive Conservative party, and that my hon. friend will be in the house to support me.

Mr. MacNICOL: So far as I am concerned, I am not talking politics. This is no time to talk politics, and I am a Canadian above everything else.

Mr. HOWE: I know that. I simply wanted to be sure that you could be in the house.

Mr. MacNICOL: There is nothing in politics for me. I am here to help my country in every way I possibly can, and when I believe that I have ceased to render some service to the country by my presence here I will quit the job. As I say, there is nothing in it for me, and in fact I would be better off away from here; but I want to help the country. I say, therefore, that I would support the minister if he would bring in a measure that would assist us in producing oil in a big way in Canada. Look at the situation in which we find ourselves to-day. We are purchasing eighty-five per cent of our oil requirements and paying perhaps $10,000,000 a year in exchange. Should we not try to get ourselves out of that trap if we possibly can? If we could produce oil and gasoline on a large scale we would get our gas at a much lower rate and our citizens would have oil to burn in their furnaces. If our gasoline ration goes any lower and if Canadians are compelled to take out their oil-burners in that event—I am not blaming the minister—someone will be responsible. Why not let us act upon the reports we have received from our own Department of Mines and Resources, who have been investigating the situation for the last thirty years? In that department we have had some of the best engineers in this field; they have studied the question of oil production, and on the basis of their investigations we are given to understand that our requirements could be satisfied. The minister said that a hydrogenization mill could be put up for $12,000,000 to produce 20,000 barrels a day. If you put up 4 mills that would be around $50,000,000 and that would give you another 60,000 barrels a day. That would make us, together with what is now produced, independent of any other country, both economically and from the point of view of defence.

Something was said about sulphur. In this connection I was alarmed at some of the remarks the minister made because I thought I knew a little about chemistry and the question of desulphurization. He said, with regard to the question of desulphurizing oil obtained from bitumen and tar sands, that a percentage of sulphur remained after the process. I had always believed that a wash sulphuric acid and caustic soda would desulphurize anything that contained sulphur, and for this reason I wrote to one of the great companies of the United States with a view to obtaining some information on the subject. I got in touch with the Phillips Petroleum company. They did not stipulate that I should not quote from their letter and I do not think it would do any harm. The letter is not marked confidential. They say:

> Although the sulphur in the crude oil as extracted from the oil sands may be as high as 5 per cent, it seems unlikely that there would be more than a few tenths of one per cent in the lighter products, such as motor fuel, manufactured from the oil. High sulphur content in the heavier products, such as asphalt or fuel oil, is of little importance.

The circulars enclosed tell about the process which they use for extracting sulphur from crude oil. I learned also from a number of oil companies that a great many varieties of crude oil contain sulphur. So that the sulphur content is not as serious a problem as it appears to be.

Let me say this in conclusion, Mr. Chairman. In connection with any investigations I have made with regard to oil or anything else and which I have submitted to this house I have had no other object before me than the desire to render some service to my native land. I have always tried to do that to the best of my ability. As I said at the commencement of my remarks, I have believed, and I still believe, that we have in Alberta a product which we should develop and of which we should avail ourselves. The Turner valley produces 8,000,000 barrels; and if we take all the wells in Canada, including the Turner valley, we have a production of from 10,000,000 to 12,000,000 barrels a year. This means that we must import from 80,000,000 to 90,000,000 barrels more. It is the duty of Canadians, therefore, to make every effort to find somewhere in Canada sufficient oil to make up the difference between what is now produced and what is required; and if we cannot get it from oil wells, of which there are thousands throughout the country, there is no reason why we should not get it from the source I have already indicated. The average oil field produces 9,000 barrels per acre, whereas, according to Doctor Ells, the tar sands contain 70,000 barrels per acre. I suggest to the minister that he should send up some men from the Department of Mines and Resources to investigate and report to him, and on that basis he could bring in a bill for the erection of hydrogenization plants. The minister knows

a great deal more about this than I do, certainly more than anyone else in the House of Commons does, and I think he will agree with me that we could produce not less than 75,000,000 barrels a year in addition to what is produced by the oil companies, if Mines and Resources estimates are correct. It would not hurt the oil companies, and on the other hand it would save the country and enable the Canadian people to obtain their oil and gas at a lower price than they pay to-day.

I hope that the minister will not take this as offered in the way of criticism. I am speaking as one business man to another, because I realize what a difficult task he has and that he cannot possibly know everything that is going on in the huge department over which he has charge. There are hundreds of details to be looked after and, frankly, I do not see how he does it. Indeed, I hope that it does not break him down. There is no reason whatever, however, so far as I can see, why we cannot lift this country into a state of independence so far as oil is concerned, when you consider that we have ample coal in Nova Scotia, and supplies elsewhere. We have lots of coal in Alberta and Saskatchewan, and it is claimed that there are large deposits of lignite coal in northern Ontario. But before going into the production of oil from coal by hydrogenization, let us try to produce what we can from the tar sands and so do something to lift the province of Alberta out of the depression it has been in. We cannot help our western provinces too much. If Alberta has oil in her tar sands, here is a golden opportunity to put that great province on its feet in supplying Canada with all this additional oil and gasoline from its resources.

Mr. HOWE: I thank my hon. friend for his very helpful and cooperative speech. I would point out that we are trying our best to get some accurate information on the possibilities of tar sands as a source of oil. As my hon. friend says, the area has been under investigation for thirty years. Some years ago a private enterprise undertook commercial development and spent perhaps a million dollars in carrying out that development. Nevertheless last year, when we hoped to complete our investigation, we found that in the whole season not sufficient oil was produced from the tar sands to give us a sample on which to work out the refinery run. Our purpose in sending in a new management, or a partly new management—because the old directors are still associated with the company—was to give a more practical turn to the operations in that field. The reason that the Canadian Oil company was chosen is that it is a purely Canadian company and the one oil company I know of that believes in the future of the tar sands. I think you must choose an agency which has confidence that a worthwhile result will emerge, and the Canadian Oil company have that confidence. I sincerely hope that before the current season passes we shall have complete operation on the product; we shall then know whether hydrogenation is necessary. It is an expensive process and it may not be necessary. I think by the end of this season we shall know whether it is necessary or not, and what the prospects are for developing the tar sands on a commercial scale.

Mr. KNOWLES: Members of this group are deeply interested in the subject which was discussed just now by the hon. member for Davenport, but this evening I should like to carry on with the discussion concerning aluminum, which was brought to the attention of the committee this afternoon by the hon. member for Rosetown-Biggar.

Before I take up the thread of this discussion, may I occupy a minute in adding my tribute to those which have been expressed by other members to the phenomenal progress this country has been making on the industrial front, as indicated so well in the report made on Friday afternoon by the Minister of Munitions and Supply. There were a number of statements he made which we would like to underline, particularly that statement toward the close of his address wherein he pointed out that never again can it be said that it is impossible to produce in Canada anything which can be produced anywhere in the world. I hoped at that moment that he would add a further sentence—I am sure he would agree with this sentiment—namely, that it surely has been demonstrated that if it is possible in time of war for us to produce the things we need in this kind of emergency, it is equally possible to produce the things we need in time of peace.

This evening the Minister of Munitions and Supply spoke briefly in reply to the address which was made before six o'clock by the leader of this group. Again, as on previous occasions when this matter has been before the house, a good deal was said about the importance of aluminum in the waging and winning of the war. We have said before, and I want to repeat it now, that we agree wholeheartedly with that statement of fact, and we in this group rejoice that it is possible for us in this country to make so effective a contribution toward the winning of the war as it is ours to make, by producing so large a portion of the aluminum needed by the

united nations. But I insist once again, Mr. Chairman, that this does not justify policies which are against the best interests of the people of Canada, and it does not justify paying—to put it bluntly—too high a price.

When the minister was speaking this evening, it was, I believe, the hon. member for Fort William who interrupted him to ask just what would have happened if we had not produced aluminum in the quantities in which it has been produced in Canada. The interruption, I take it, was designed to emphasize the importance of producing aluminum in this country. Again I say we agree. Equally we would assert the importance of the producing of food. Likewise we assert the importance of producing the materials of war, and the importance of the contribution made by our men who go into the armed services. But in none of these cases does the government simply sit back and pay the price which those who are offering their services or are producing food or munitions of war ask, or, shall I say, demand. But it is our contention that in the case of aluminum you have not only a Canadian monopoly but a world cartel literally demanding, not only of this government but of the governments of all the united nations, that they pay the cartel's price for material so badly needed in this time of war.

The minister made frequent references to the fact that it is not the intention of the government to which he belongs to seek to change the competitive position of any company in Canada while the war is on. I already drew his attention to the fact that that remark is hardly relevant as far as aluminum is concerned, in view of the fact that with respect to aluminum there is no competition in Canada, or, for that matter, anywhere in the world.

The minister emphasized, and repeated it two or three times, that it was not the intention of the present government to use the war as an excuse to battle combines. I want to make it perfectly clear that we of this group are not to be put in the position of wanting to use the war to advance any particular position that we may hold, though let me not be interpreted for one moment as veering from our absolute opposition to combines of this kind. I do wish to point out to the minister that the position he takes means this, that the aluminum interests are being allowed to use the war as an excuse immeasurably to strengthen their position, and that is what we vigorously oppose. We feel the government is falling down on the job in not being more vigilant in this matter.

I find myself called upon frequently to refer to one of the newspapers in the city from which I come, the Winnipeg *Free Press*. In its issue of June 9 appeared another in a long succession of editorials on this matter, most of which was devoted to defending the government and the aluminum company, and to attacking the Cooperative Commonwealth Federation with respect to its charges against the deal. Toward the end of the editorial, however, I found two or three sentences which I should like to quote:

> The aluminum company is of course a great international trust. As such it should be watched with vigilance, for we have learned from experience that international trusts can and often do pursue policies which run counter to public interest.

Then, as though to justify the lack of vigilance after suggesting that there should be vigilance, the *Free Press* adds:

> At the moment, however, the aluminum company is doing a tremendous production job in the interests of victory.

Our contention is that this company, in the light of its past record, is more interested in maintaining its control over aluminum as a world monopoly; and that the government, in taking the plausible position enunciated by the minister to-night of not using the war as an excuse to battle against combines, is in effect giving the aluminum interests an opportunity to use the war to strengthen their position.

During the course of his remarks this evening the minister had something to say about the fact that the Aluminum Company of America had changed its set-up a bit, with the result that the former Canadian properties of Alcoa are now under the control of a Canadian company. The minister suggested that it was better to have these under a Canadian company which was under the jurisdiction of Canadian laws, and so on. There are several comments I should like to make in reply to that suggestion; I shall make one or two of them at this moment, and the others will come out as I proceed. First, I should like to point out that Aluminium Limited, which is the parent company and which, according to the prospectus of the Aluminum Company of Canada, owns 100 per cent of the shares of the Canadian company, has nine directors. I note that of these directors four reside in Canada and five in the United States. The principal officers of the company are the president and six vice-presidents. Of these seven officers two reside in Canada and five in the United States. In 1928, when Aluminium Limited was set up, the stock issued at that time was turned over in its entirety to the holders of shares in the Aluminum Company of America, in the purchase of the property of the Aluminum Company of Canada. This means that at that time the ownership of Aluminium Limited,

which in turn owns 100 per cent of the Aluminum Company of Canada, was identical with the ownership of the Aluminum Company of America. I believe the figures I am about to read were placed on the record this afternoon, but perhaps they should be repeated. As late as 1937 the holders of 81·53 per cent of Alcoa stock—Alcoa, as we all know now, being the short name for the Aluminum Company of America—held 83·93 per cent of the stock of Aluminium Limited.

Now I should like to say a word about the profits of Aluminium Limited, the parent company of the Aluminum Company of Canada. The figures I wish to give are taken from the consolidated statement of profit and loss of Aluminium Limited as published in a report made by that company to the Montreal stock exchange on December 16, 1942. For each of the years 1938, 1939, 1940 and 1941 the figures I am about to give are as they appear in the company's report. I should like to offer a word of explanation in connection with the figures I will give for 1942. For that year the company's report gives figures only for the nine months ending September 30. In the table I am about to give, the figures for that portion of 1942 have been divided by three and multiplied by four so as to give the approximate totals for the year, in order that a proper comparison may be made with previous years. I believe it would be of interest to members of this house to have some of the important figures out of this report, and I am going to take time to read these figures into *Hansard*:

	1938	1939	1940	1941	1942
1. Gross profit	$21,674,187	$31,375,757	$43,264,219	$72,635,494	$89,842,600
2. Executive salaries (parent and fully-owned subsidiary companies)	451,432	434,343	493,750	641,656	(not listed)
3. Provision for Canadian income and excess profits taxes...	2,602,397	3,754,051	10,239,227	12,296,489	10,827,396
4. Provision for income and excess profits taxes other than Canadian	1,931,962	4,296,260	11,871,324	15,676,229	20,457,016
5. Provision for depreciation and depletion	3,651,529	3,771,926	4,392,404	23,338,647	40,994,252
6. Net Profit for the year transferred to earned surplus..	11,384,268	15,846,384	10,698,156	15,489,951	15,876,532
7. Totals of amounts in items 5 and 6 above	15,035,797	19,618,310	15,090,660	38,828,598	56,870,784

I should like to make some comment in connection with the figures I have just given. First, as one might expect, the gross profits mount steadily through the years under consideration. Second, one notices that the executive salaries took a slight drop from 1938 to 1939, but that since then they have been increasing steadily, although, so far as wages are concerned, it is difficult to get such increases.

Mr. HOWE: Would my hon. friend reject the idea that there may be more personnel in the executive, in view of the expansion?

Mr. KNOWLES: That is possible. I would be glad if that information might be supplied.

Mr. HOWE: I do not think it can; but I make that suggestion.

Mr. KNOWLES: The next is Canadian income and excess profits tax. It will be noticed, when one studies the table, that these increased through the years 1938, 1939, 1940 and 1941, but that the amount set aside by the company for 1942 drops considerably from what it was in 1941.

However, the next item deals with provision for income and excess profits taxes, other than Canadian—taxes which Aluminium Limited has to pay to other governments, because many of its subsidiaries are operating in other countries. These taxes show a steady increase from less than $2,000,000 in 1938 to $20,000,000 in 1942.

I am sure hon. members will find it interesting to make a comparison, and to note that the Canadian treasury was to get less in 1942 than in 1941, but that other governments were getting from Aluminium Limited a steadily increasing amount of taxes.

The next item deals with the provision for depreciation and depletion. In view of the fact that this matter has been already discussed at some length, we would expect it to mount steadily, and such is the case.

Then, when hon. members look at item 6 they will discover that even after all of these

items are taken into consideration—greatly increased depreciation and greatly increased taxes to governments other than Canadian—there is still left over for the year 1942 an amount of net profit, transferred by the company to its earned surplus, which is the largest in the entire history of the company.

An hon. MEMBER: Would the hon. member place on the record the net earnings of the Canadian company from 1938 to 1942?

Mr. KNOWLES: Item 6 in the table I have just given contains the information the hon. member asks for, namely, the earnings after all taxes have been paid and after depreciation allowances had been set aside, for each of the years 1938 to 1942. I have not added those figures together, but that can be done from the table.

Mr. HOWE: This is in respect of Aluminium Limited, the parent company.

Mr. KNOWLES: Yes, the parent company.

Mr. HOWE: The consolidated earnings of the British company, the British Guiana company and all other associated companies.

Mr. COLDWELL: Which owns fully the Aluminum Company of Canada.

Mr. KNOWLES: The prospectus of the Aluminum Company of Canada is substantially the same. The figures in most cases are a little less, but only a little less, because the Aluminum Company of Canada is the major holding of Aluminium Limited. The same story holds—gross profits increasing, and income and excess profits taxes increasing until 1941, and then dropping in 1942. But net profits that can be transferred to earned surplus steadily increase, and reach an all-time high in 1942.

I should like to say a few words about those profits under a slightly different heading. When one deals in figures involving so many millions, they become confusing. In fact, even the figures I shall give now may be difficult for most of us to grasp. However, perhaps it will be easier for us to understand from these figures what these huge profits mean to certain individuals.

I find from the report which Aluminium Limited made to the Montreal stock exchange in December, 1942, that there were then in existence 744,410 shares of Aluminium Limited. These were held by 2,358 shareholders. Some might argue that that number shows a fair amount of diffusion. To some of us even that number is very small.

However, I find that in item 17 appearing at page 9 of the report there is a partial breakdown of the holding of these 744,410 shares. This item shows that seventy-four people hold 1,000 or more shares each. The aggregate of the shares held by those seventy-four people is 574,295. This means that those seventy-four people hold an average of 7,774 shares each. On those shares in each of the years 1941 and 1942, according to page 2 of the same report, a dividend of $10 each was paid. That means that in 1942—dealing with one year—seventy-four people netted out of the operations of Aluminium Limited—the Canadian company—$77,740 each.

That figure is somewhat smaller than the million dollar figures with which we were dealing a moment ago. But it hits some of us with a great deal more force. This war is being fought largely in the air. Young men are being called upon to fly planes, in which aluminum figures so largely, to risk their lives, while those who happen to be connected with the process of producing aluminum—they are not doing the actual work—made in the course of 1942 an average of $77,740 each. When on a former occasion something was said about these profits the Minister of Munitions and Supply interjected—I believe the hon. member for Rosetown-Biggar was speaking at the time—to ask upon what capital investment these huge profits were being made.

As a matter of fact, the dividends being paid on the shares of Aluminium Limited invite an examination as to where they have all come from. We discover that of the 744,410 shares, the first twenty were bought at $25 each. Then there was a block of nearly 500,000—I shall not bother with giving the exact figures—which were turned over to the Aluminum Company of America for the purchase of the properties of the Aluminum Company of Canada. Those shares were given to the then holders of Alcoa stock in the proportion of one share for each three held. The other shares that were issued to make up the total of 744,410 shares—they are all listed on this report which I hold in my hand—were either given or sold only to shareholders of record, on some established basis.

I am not sure whether the hon. member for Rosetown-Biggar gave the figures this afternoon, but it has been pointed out already that the holdings of Alcoa stock have grown tremendously. A man who invested $100 in 1904 would have over $8,700 worth of stock in 1926 without the investment of an additional dollar. It is to these people that these shares were given or sold, so that I suggest that it is proper to say that the $10 per share which was given was, in many cases, nothing but a gift. This goes on year in and year out; these individuals are making that kind of profit out of our war effort.

A study of the reports issued by the Aluminum Company of Canada and Aluminium Limited made me realize that this is a fit study for examination by the treasury board. I recall the debate we had some time ago with respect to section 32A of the Income War Tax Act. This company is having to pay increased taxes to other governments, but it has managed to reduce the taxes which it pays to this government, and it struck me that its returns might well be the subject of an investigation by the treasury board under the provisions of section 32A of the Income War Tax Act. Accordingly I asked whether such an investigation had been carried out, and the answer given to me on May 31, which appears on page 3209 of *Hansard,* was that at no time since January 1, 1938, had the treasury board reviewed the income tax or excess profits tax returns of either the Aluminum Company of Canada or Aluminium Limited.

A moment ago the Minister of Munitions and Supply pointed out that I was dealing with Aluminium Limited rather than the Aluminum Company of Canada and suggested that the figures I was giving were larger on that account. I replied that they were slightly larger because Aluminium Limited includes many other companies, but that its major concern is the Aluminum Company of Canada. So far as profits are concerned, this company represents eighty or ninety per cent of its holdings. However, I think hon. members should know that this octopus that we have in our midst, Aluminium Limited, either controls or has an interest in a very wide range of companies all over the world.

I fear that I would overrun my time if I put this table on the record, but I should like to make a short reference to it. A list of the subsidiary and other companies of Aluminium Limited is to be found on pages six and seven of the report to which I have referred. I find that Aluminium Limited either owns outright or has an interest in thirty-seven companies; it owns outright twenty-three of them, it has more than fifty per cent control in five, and an interest in nine. These companies are listed under a number of headings, such as mining, transportation, power, aluminum production, aluminum fabrication and "various." Under "various" is to be found financial management, engineering management and research, correspondents in the United States, holding companies and so on. These companies are located all over the world, in British Guiana, Newfoundland, Canada, the United Kingdom, India, Sweden, Australia, Switzerland, Argentina and Brazil. I believe I have named all the countries; a number of them are repeated.

I rose in my place to-night to state definitely that in our view the government is permitting this company to make terrific gains out of this war. We do not accept as an answer to our argument the minister's statement that the government is not prepared to use the war as an excuse for trying to break up combines. I repeat that by its failure to be vigilant, as the *Free Press* has suggested, it is allowing this company to make increasing profits in terms of dollars and cents and also in terms of increased plant and capital equipment which it will have for use after the war in two fields, aluminum and power. When you read the prospectus of the Aluminum Company of Canada and the material contained in the report of Aluminium Limited you find no suggestion that they are not going to make profits after the war. What they state is that those of their officers who have pinned their faith to aluminum for years are now being supported by the results, and they point out that in the years to come these are really valuable lines to be in. We contend that the policies of the government have resulted in this country and other countries who are buying aluminum from these interests actually helping them to get these plants for use after the war.

Mr. CRERAR: A moment ago the hon. member stated that the present government was permitting this aluminum company to make terrific gains out of the war. Does the hon. member wish us to infer from his remarks that the government should have stepped in and, for instance, prevented the arrangement between the British company and the aluminum company for supplies of aluminum, or prevented the United States from going to the aluminum company to purchase its aluminum? What action should the government have taken to have prevented that?

Mr. KNOWLES: There is on our statute books the National Resources Mobilization Act. There are powers under that act to conscript men, to conscript wealth and to conscript industry. When members of this group, before I was in the house, argued that the conscription of wealth and industry should come first, the government insisted that at any rate it had the power to enforce it whenever it considered it desirable. I would suggest that if the government was aware of the history of the aluminum interests through these forty years—and if it was not, that in itself is reprehensible—it should have stepped in and taken over the operation of these properties for the duration of the war, under the authority of the National Resources Mobilization Act.

Mr. CRERAR: Assuming that the government had stepped in and expropriated or taken over the whole enterprise of the Aluminum Company of Canada on the Saguenay river, what would it have done for raw material? All the raw material that is converted into aluminum in the plant on the Saguenay comes from another country, and we do not and could not control that by any expropriation proceedings.

Mr. KNOWLES: The answer I make to that is, first, that the raw material comes from Newfoundland and from British and Dutch Guiana, all of which countries are part of or under the united nations.

Mr. CRERAR: But we do not control them.

Mr. COLDWELL: I rise to a point of order, Mr. Chairman. Is the hon. member for Winnipeg North Centre making a speech or the Minister of Mines and Resources? The minister can make his speech afterwards, I take it.

Mr. CRERAR: The hon. member for Rosetown-Biggar does not need to be quite so touchy on this question.

Mr. COLDWELL: I am not touchy; it is you.

Mr. CRERAR: The hon. member for Winnipeg North Centre offers strong criticism of the government because it did not do a certain thing. I think I am quite within my rights in asking him how he proposes we should have done it. I ask him how he would have done it.

Mr. KNOWLES: I take it that the minister has admitted that the aluminum interests had the government on the spot, so that the company could say to the government: This is the world price and you must pay it. And the government agreed to it.

Mr. HOWE: The government was not on the spot, because the government has had very few dealings with the aluminum company.

Mr. COLDWELL: The government was in the wringer.

Mr. KNOWLES: Some day we should be given the full story of who has been handling this business. When we start to bring these things out, the Minister of Munitions and Supply says: The government was not dealing with this deal. But these deals are pretty big. They affect not only the price which this government has to pay for aluminum, but the price which every one of the united nations has to pay for it.

[Mr. Knowles.]

Mr. MacINNIS: A little while ago we were told that it was a Canadian company under Canadian control.

Mr. KNOWLES: It should be brought under Canadian control, and because these deals will also affect the whole set-up after the war I submit that the government was remiss in not concerning itself with deals of this size. It emphasizes our feeling that not only are these interests using Canada as a sanctuary, where they come as refugees from the laws of the United States, but they pull the wool over the eyes of this government. They have been in this game for forty years. The story was given this afternoon, and I confess that I was startled to read the amazement on the face of hon. members opposite, including those in the government, as the story was unfolded. The Aluminum Company of America came here in 1889 and made a contract with the Shawinigan Water and Power Company, and later in 1902 incorporated the Northern Aluminum Company which acquired the properties purchased by Alcoa as a result of that contract in 1889. It not only set up the Northern Aluminum Company to operate the properties which it had bought from the Shawinigan Water and Power Company, but used the Northern Aluminum Company as a tool to effect the earlier cartel arrangements. Finally, after the Duke situation in 1925, the company was renamed the Aluminum Company of Canada and Alcoa continued to use a Canadian company to influence the world cartel, until in 1928 the Aluminum Company of America found that it was no longer possible to operate through subsidiaries but had to set up a wholly independent company.

The ACTING CHAIRMAN (Mr. Ross, Calgary East): The hon. member's time is up.

Mr. KNOWLES: I should just like to finish my sentence and say that in 1928 Aluminium Limited was set up, legally and technically, as an independent company. That is the problem the United States government is up against in the courts. Aluminium Limited's president is the brother of the president of the Aluminum Company of America. Aluminium Limited participated in the forming of the Alliance Aluminium Compagnie, which was incorporated in Switzerland, and then proceeded to operate as a world cartel. If my time were not up, I would add to the evidence that has already been produced in the committee, letters and telegrams which show that Aluminium Limited was in effect the instrument and the tool of the Aluminum

Company of America, guaranteeing to the other aluminum companies that Alcoa would not interfere in their operations and in turn guaranteeing to Alcoa that the other companies would not interfere with theirs.

Another story I should like to have told—

The ACTING CHAIRMAN: (Mr. Ross, Calgary East): The hon. member's time is up.

Mr. COLDWELL: Mr. Chairman, may I raise a point of order? Technically I doubt whether the hon. member's time is up, because the Minister of Mines and Resources made a speech in the middle of my hon. friend's speech, and I believe he can go on for another forty minutes after the minister sat down. That is the technical point I raise.

The ACTING CHAIRMAN (Mr. Ross, Calgary East): The hon. member commenced his speech at 9.15 p.m., and has spoken for more than forty minutes.

Mr. COLDWELL: I point out, Mr. Chairman, that we are in committee and a prolonged interruption is, I take it, a speech.

Mr. HOWE: I think the committee has pretty well agreed that we would like to hear the rest of the speech.

The ACTING CHAIRMAN (Mr. Ross, Calgary East): Has the hon. member unanimous consent?

Some hon. MEMBERS: Yes.

Mr. KNOWLES: I should like to read one or two passages from the brief which was presented by the United States government in its case against the aluminum interests. I quote from pages 763 and 764:

In 1934, when Germany started to rearm, the German company was demanding additional production rights and threatening to exceed its quota whether authorized to do so by the Alliance or not. In the face of this situation, Edward K. Davis proposed to Doctor Schirner, then the head of the German company, that Alcoa's metal, of which Aluminium Limited was custodian in Canada, might be used to relieve the German shortage, and he offered to try to work out some arrangement with Alcoa. The proposal made by Edward K. Davis contemplated that since the German company had 3,000 tons of titaniferous aluminum in Italy which it could not use, but which Alcoa could use, Aluminium Limited should deliver 3,000 tons of Alcoa's Canadian metal to the German company in return for the delivery by the German company of its Italian metal to Alcoa. This exchange was to be effected through the medium of the Alliance by an exchange of Alliance "delivery warrants" between Aluminium Limited and the Germany company (14,821-4, 14,856-65). On May 3, 1934, Edward K. Davis wrote George Gibbons, senior vice-president of Alcoa, with respect to this proposed exchange (Ex. 783). This letter was a part of and pursuant to previous negotiations between Gibbons and Edward K. Davis relating to the same subject matter (15,648-9). Although Edward K. Davis' proposal was never put into effect, it is significant that he negotiated with Alcoa and with the Germany company for the purpose of bringing about an exchange of metal which would relieve the German situation and thereby assist in preserving the structure of the Alliance as against the German threat to produce over its quota.

Edward K. Davis is the president of Aluminium Limited. Another quotation I would place on the record is to be found at page 644:

The operation of this gigantic world cartel will be discussed in detail later in this brief. Suffice it to say here that the Alliance, through its restrictions upon production and manipulation of prices, has been the most ingenious instrumentality ever employed by Alcoa to fasten an iron band around the United States market and render impregnable its domestic monopoly. Through its affiliate, Aluminium Limited, Alcoa has—like the ghost at the banquet table—exercised an invisible but powerful influence upon the policies and activities of every major aluminum producer in the world.

I am not going to transgress unduly upon the kindness of the committee, but there are one or two other quotations I should like to put on the record. As early as January 13, 1932, E. K. Davis, the president of our Canadian company, Aluminium Limited, objected to the British company selling metal produced by the International Aluminium Company and the Aluminum Corporation at less than the alliance buying price, and a few days later MacDowell cabled Morrison in part:

. . . my associates feel that your selling at less than alliance buying price—

The reference is to the British company.

—coupled with your unwillingness to supply us and presumably other Alliance members at the same price can only result in indefinite postponement of beneficial results expected from Alliance understanding and I am requested to inform you that our company views the situation thus created with chagrin and alarm and to say that we express the hope that you will find means to establish British prices at levels which will support rather than undermine the Alliance structure (Ex. 851).

Another quotation will be found on pages 746-47:

Even before the foundation agreement was executed, Aluminium Limited was instructed by E. K. Davis to sell aluminum after July 1, 1931, at £75 per ton. On June 19, 1931, he cabled Aluminium Limited's New York office as follows:

Note that our Canadian company has an office in New York which receives official advice of this kind.

In to-day's cablegram omitted to say that on January 1 Union (i.e. Alliance) will name buying price not less than seventy-five pounds sterling per ton available to all stocks exceeding 40 tons per share. Consequently anything you sell after July 1 at less than that figure is wasted. You had better post India and other low price markets.

I will not take up further time. I have given a few quotations in support of our contention, and what all members of the house really recognize, namely, that we are dealing with a great international trust which has had forty years in this game and which apparently has been able to pull the wool over the eyes of the government and get them to assist it in carrying on this kind of conspiracy. I object to the government not having exercised the vigilance, in the face of this 40-year story, which even the Winnipeg *Free Press* would say ought to be exercised.

Mr. HANSELL: Perhaps I might for a moment or two move to an entirely different subject, but one which I think is of great importance, although the minister may not at this particular moment think so. It is the business of the Minister of Munitions and Supply to turn out the necessary war materials. Perhaps he could be described as the czar of Canadian industry or Canadian war-time industry. There was a time when we were urging upon him to speed up production of war materials. We do not hear that so much now, because I imagine that the man-power situation has pretty well reached the peak of its productive capacity. That being the situation, we are living in a state where everyone is employed; in fact, we have a man-power problem.

I wish to put this to the minister and I should like him to say something about it. I do not want it to be regarded as being off the subject, because it is a tremendously important matter. I doubt whether there is anyone in Canada who knows the industrial set-up of the entire nation better than does the Minister of Munitions and Supply. At any rate, I do not think anyone should know it any better than he does. He should have his finger on the pulse of the whole industrial set-up of Canada to-day. I wish to know, therefore, whether the minister or his department or the government has made any sort of industrial survey with a view to passing to the peace-time functioning of industry.

The minister may say that that is not his business, that his business is to turn out war materials. I know that, and I am quite conscious of the fact that he is perhaps trying his best to do that. I am not criticizing his department; nevertheless, if, when peace comes, the minister is in the same seat he now occupies, we want to know what will be done then. It might very well be said that it may be a long time before peace is declared, but we do not know. It may be sooner than we expect, and the minister who is now in charge of the entire productive capacity of Canada—we may as well say that—should have at his finger-tips all that the government is going to do or that he is going to do if he is sitting in his seat at the time peace is declared. There is no use in waiting until the problem is upon us. I am not now talking of post-war reconstruction; I am speaking of that short transitional period when there is a change-over from the industrial set-up of Canada producing munitions of war to some industrial set-up changing over to the production of peace-time goods. There is no use in waiting until the problem is upon us and then closing our eyes and trusting to luck. The government has done that too often in the past, as, for example, in the national coal emergency. But this problem will face us, as certainly as we are sitting here to-night, and we must be ready for it. Someone has said that the difference between a politician and a statesman is, that a politician works and looks forward to the next election, while a statesman works and looks forward to the next generation. I should like to know what the government are doing in the way of working and looking forward to that transitional change-over in the industrial set-up of Canada.

Mr. HOWE: In reply to the question, I may say that a thorough study has been made of each industry to see what can be done. It will depend a good deal on how much warning we get of the end of hostilities. If the war were to collapse to-day, I do not know that we could avoid a certain lag in the change-over of industry; retooling and reorganization take time. But a study has been made; we have expert opinions of the post-war value of every plant the government owns, which is a large part of the industrial capacity of this country; we know the direction that conversion should take, and we only hope we shall have sufficient notice so that it can be done gradually.

Mr. BENCE: Two matters which were dealt with by the minister on Friday are of the utmost importance to this country, and both materials are in what is called short supply; I refer to petroleum and rubber. The matter of petroleum was dealt with earlier in the evening by the hon. member for Davenport in what I thought was an admirable address. I should like to say a few words now in connection with certain aspects of the rubber problem, and may I remark in the first place that it seems peculiar that that very scarce product, petroleum, is being used and used exclusively in this country for the manufacture of the equally scarce and important product, rubber.

There is a great question mark in the minds of many people with reference to this matter, particularly by reason of the feeling that the refusal to adopt means other than petroleum for the production of synthetic rubber is not motivated entirely by unselfish considerations. I hasten to say that I am not a scientist and I know nothing about the technical side of this matter, but there are a number of questions in my mind and in the minds of the public which, I believe, should be answered by the minister.

It may be that the administration itself does not know as much about the solution of this problem as it might do. It may be, and there is evidence to indicate that this conclusion is justified that it has merely pursued a policy of follow-the-leader and has adopted certain suggestions which were made by those across the line. To me it is significant that the government-owned corporation known as the Polymer corporation, which is going to operate a number of plants at the city of Sarnia, is almost entirely manned by persons who have been borrowed either from the natural rubber companies or from the oil companies of this country.

Petroleum is very scarce. That statement is almost axiomatic. The truth of it is evidenced by the fact that we have to put up a system of rigid rationing. This was also admitted by the minister in the house on Friday when he warned the people that in the near future rationing might have to be even more drastically curtailed. It has been stated on a number of occasions that the oil reserves of this country are by no means unlimited. It is stated, indeed, that at the present rate of depletion, and with no greater oil reserves than at present, within a period of approximately fourteen years no oil will be left on this continent. That is a very serious condition, and it is another indication to me that those who are in control of the production of synthetic rubber on this continent are not much concerned about establishing an industry which will be maintained more or less in perpetuity; for, if they believed that the production of synthetic rubber was to continue on this continent, they would set themselves to look for a product which is in abundance and cannot possibly be exhausted within the short period of fourteen or fifteen years to which I have referred.

I confess to the feeling that these interests do not want to make the production of synthetic rubber on this continent a permanent affair, and in substantiation of that statement I propose before I conclude my remarks to quote the statements of a number of well-known persons whose opinions are regarded as fairly reliable. However, before referring to some of these statements may I observe that the attitude of the administration since the beginning of the war, as was pointed out by the speaker who immediately preceded me, has been to regard any question of supply on a day-to-day basis without any regard for the long-term point of view. It seems to me the time is past to guide our policies on the principle of the proverb that we should not cross our bridges before we come to them, because in many instances it is necessary to plan a long time ahead in order to find the most efficient and economical method of producing a product over a period of years. To adopt a rubber production programme which must necessarily be curtailed in a few years seems to me the height of economic folly. My criticism to-day in that respect is the same as I have voiced in this chamber in the past, a criticism which I first placed before the house over two and a half years ago, when I asserted that the administration has entirely missed the boat as far as taking advantage of its opportunities to develop this country economically is concerned, and that it has failed to understand the necessity of adopting processes which not only will produce something to-day, but will go on producing it to-morrow or in the years to come. I suggest that the administration should take us completely into its confidence in connection with this matter of the production of synthetic rubber, and let us know what its plans are, not only for the immediate future but for years to come.

Recently the city council of my own city and the city council of North Battleford passed a resolution, which was sent to the government, urging the establishment of factories in Saskatchewan for the production of alcohol from grain for the manufacture of synthetic rubber. They received a reply from Mr. Bennett, who is executive assistant of the department. I have not had an opportunity to obtain a copy of the letter, but according to a press item he advised the city council of Saskatoon that the production of rubber from petroleum was the most practical process under present conditions. He went on to state that facilities for the production of synthetic rubber had been established at Sarnia, Ontario. So far as I am concerned I am not prepared to accept that statement without question. What I want is a complete explanation as to the manner in which this judgment was arrived at; the evidence that was furnished; the persons who were consulted and their connections, and how conclusive in the minds of the administration that judgment was. I might point out that considerable work has been done in the United States in the production

of synthetic rubber from agricultural products, and I should like to know what investigation was made by the administration with respect to the efficacy of that method rather than the use of petroleum. I would also point out that from what I have been able to glean from various statements and documents in my possession, it would appear that as far as the continent of Europe is concerned, all the available information points to the fact that the great bulk of the synthetic rubber produced there is made from agricultural products.

Recently, to try and obtain some information in this connection, I asked the administration what was the total stock of natural rubber in Canada. The answer I received was that crude natural rubber is a critical war commodity and that it was not in the public interest to answer this question. I am not entirely sure that this is not in the public interest to answer, but it may be. It does seem to me, however, that more information is given the public of this country than is accorded to members of parliament. I do not know why that should be so; possibly it is because members are in a position to ask follow-up questions which are pertinent to the matters dealt with, whereas the public has pretty well to accept what is given to it. In that respect I would point out that the public of this country have been advised that synthetic rubber factories are being set up in Canada and that the first of these will be capable of producing the needs of the armed forces by September, 1943. Then, according to information given to the public in a little booklet called "The Industrial Front," dated July 1, 1942, it would appear that the rubber in this country at that time was being used to the extent of eighty-five per cent to meet the needs of the armed forces. The disposition of the rubber is shown at page 96 of this booklet, as follows:

	Per cent
Tires and tubes of all types for the army	74·4
Truck and bus tires for essential transportation	3·25
Footwear for armed forces and essential civilian needs	2·9
Belting and other mechanical goods for defence and essential industry	2·5
Aeroplane tires and tubes	2·25
Wire and cable	2·0
Motor vehicle parts for army vehicles and to maintain essential transportation	2·0
Tank parts	1·8
Protective clothing, including anti-gas gloves and respirators	1·8
Retreading and repair of materials for essential transportation	1·2
Fire hose	0·7
Miscellaneous items, none of which comprise more than 0·5 per cent	5·2

That makes a total of 100 per cent. Apparently the public of this country can be given the information that by September of this year sufficient rubber will be on hand to meet the needs of the armed forces, so that to me, from this information, it would seem that we do not have to worry a great deal about that phase of the matter. But I should like to know the plan of the administration with respect to the production of synthetic rubber for other purposes, covering the fifteen per cent I have mentioned as being allotted to civilian needs and matters of that kind. If one plant in the city of Sarnia will produce that much rubber, what steps are being taken by the administration with respect to the production of more rubber? What is its plan in connection with an endeavour to obtain rubber from a product which will produce synthetic rubber to-day, tomorrow and perhaps fifty years from now, instead of from a product which may not be in existence at that time? Is it the intention of the government to go on and expand? How many plants does it propose to put up in the city of Sarnia? Does it propose to do anything in regard to the production of rubber from agricultural supplies?

I might point out that the reason given by some persons for the fact that we have not gone into the production of synthetic rubber from agricultural supplies, and that we have not established plants for this purpose in western Canada, is that the material has not been available for the construction of such plants. It may be that we are short of such material, but I notice that there was sufficient material for an industial alcohol plant at Thorold, Ontario, which is under construction at the present time, though we are producing more than enough alcohol to meet the needs of this country and, according to information given the house a short time ago, are exporting some alcohol to the United States.

In the resolution to which I have referred there is a statement which to me seems very striking, and significant of the interest that appears to be taken in this subject by those who have control of the situation in the United States. This is the statement:

> That Wm. J. Hale, research consultant for the Dow Chemical Company, speaking to the annual dinner of the Minnesota bankers' conference in February, 1943, as reported by the Chicago *Tribune*, stated that there was in existence an unpublicized reciprocal trade treaty with South American countries providing for the destruction of all United States synthetic rubber plants after the conclusion of the war;
>
> Mr. Hale is also authority for the statement that all successful synthetic rubber formulas are based on alcohol (Germany having 38 plants) made from farm products, providing 3·8 pounds of rubber for a gallon of alcohol;

Mr. Hale predicted that the Japanese, when driven out of Malaya and the Dutch East Indies would destroy all the rubber plantations, thus making continuation of the synthetic rubber industry in the United States imperative;

Then I heard some interesting information the other day, given by Mr. D. G. MacKenzie, who is probably known to members of this house. He was formerly minister of agriculture of Manitoba and is at present chief commissioner of the board of grain commissioners and chairman of the agriculture subcommittee of the James advisory committee to the cabinet. He has some significant statements to make in connection with this whole matter. In giving his evidence before the committee on reconstruction and reestablishment, set up by this house, among other things he said:

One of the difficulties that we have in trying to finalize our thinking on this problem arises from the differences of opinion that are emanating from the United States. What I say must be taken only as personal opinion, but there is evidence of a tremendous struggle going on in the United States to-day as between the petroleum interests on the one hand and perhaps the distilleries and farm block on the other hand in the matter of using cereal grains for the production of alcohol. I cannot help but feel behind that dispute or struggle—and it is a very intense one—there is a desire on the part of these respective interests to be in a position to control the market when the war is over.

Then, in answer to the question as to whether he agreed with Dorothy Thompson he said:

I have not seen any statement she has made so I cannot say whether I do or do not but I do feel definitely that there will be a very large synthetic rubber industry established over there that they now say will be competitive with natural rubber. The demands for rubber after the war may be so great as to make it possible that there will be need for both synthetic and natural rubber. These interests are looking forward and are anxious to be in a position to control production and marketing of these products when the war is over. On the other hand, as I stated last night, I was in New York a couple of weeks ago talking to two very eminent citizens there who made this very interesting statement. They said that on the basis of present known resources of petroleum and on the basis of present known consumption of petroleum their resources would not likely last more than fourteen years; so that these same interests are looking forward to that time when stocks of natural petroleum will be exhausted and other sources of supply will have to be developed.

He said, in effect—and I shall give the exact quotation later—that petroleum and oil interests were strongly entrenched and had all necessary technical knowledge to cope with problems immediately any question developed, but that on the other hand, unfortunately, agricultural interests were not as well equipped. He felt that if they were, great assistance could be given to that industry. In that connection he said, as reported at page 428:

The problem we are faced with in trying to work out these problems and in studying them is this: I have discussed this matter with scientists in Canada associated with some of our research foundations and with the National Research Council and so on, and we have not got in Canada anywhere a chemical engineer associated with agriculture, at least to my knowledge, with any idea of costs. These men whom I speak of, who are associated with research organizations, will tell us that they have the processes. There is no question about that, it can be done; but I have not been able to get any of them who will express an opinion as to costs in terms of commercial production.

He was referring to large-scale production.

Then, I have here what I believe is further substantiation of my assertion that there seems to be a great struggle going on in connection with the production of this very valuable commodity. In this, of course, I am not referring only to Canada. A report dated May 13 in the *Western Producer,* and headed "Alcohol Rubber is Shelved by Big Interests", is as follows:

The five alcohol synthetic rubber distilleries approved only recently by the United States war production board have been "laid on the shelf." John Carson, Washington representative of the Co-operative League of the United States, summarizes the alcohol synthetic rubber scrap in which two cooperatives were involved as follows:

This story is so incredible, even in these days when the dollar-a-year men direct a goodly part of the WPB machine, that sections of the picture must be revealed again:

1. The rubber story first began to smell when charges were made that great financial interests, particularly the Dutch-British-American interests, which owned the rubber plantations in the Dutch East Indies, were determined to prevent the development of synthetic rubber which might cheapen rubber and threaten the money invested in the natural rubber plantations in the postwar period.

2. The Standard Oil I.G. Farben cartel of Germany story added to the smell when the secret agreements within that international trust were exposed.

3. The smell became so threatening President Roosevelt created the Baruch committee to investigate and the committee recommended the development of alcohol synthetic rubber as well as oil synthetic rubber and the establishment of a rubber czar. Jeffers was appointed and given complete authority over rubber production, but not over the alcohol production programme.

4. Independents began to apply for approval of their applications to build alcohol distilleries. The senate committee recommended that a great number of small distilleries be established throughout the grain growing areas. WPB, however, ignored all the recommendations of the senate and approved the construction of three large distilleries. Independent distilleries were ignored, their applications forgotten.

5. Evidence of the determination of some hidden power to prevent the development of an

adequate alcohol programme forced Jeffers to join in raising questions and WPB was compelled to show new interest in alcohol rubber.

6. WPB appropriated $100,000 to survey the applications and projects proposed, largely by independent groups, including cooperatives; 116 projects were surveyed by engineers, and finally, only about a month ago, five projects were approved.

7. In one month, the army and navy and WPB developed a "new situation" where these five projects were "not needed."

Then this matter was brought very forcibly to the attention of the public in this country only recently by that well known columnist Dorothy Thompson when she said this in an article contained in the *Western Press:*

There will be attempts to reduce this struggle to the question: Should we have more or less synthetic rubber. That is not the question. We need vast quantities of synthetic rubber. We also need vast quantities of high octane gas.

Behind this dilemma is just one basic cause: the collusion of the oil interests, through the octupus of pressures which they have organized through government departments, to keep the manufacture of synthetic rubber, the so-called Buna-S in their own hands with the same exclusiveness as the production of aviation gas.

And again:

From the day that the war cut us off from natural rubber, there has been a controversy between oil and grain as a basis for synthetic rubber. The oil companies, who had bought the rubber process from the German chemical trust leaped into the game with their formidable pressure power. The chemists who favoured rubber from grain, had nothing but reason on their side.

The Russians, who have been making synthetic rubber for years, used grain and offered us their formula, but it was neglected. There was the so-called Polish process which is also based on grain, so that evidently rubber can be made from grain. Mr. Jeffers knows it. Mr. Nelson knows it. But grain has not had a look-in.

It would appear that Mr. Donald Nelson, himself, who is chairman of war production in Washington believes—or did believe last year, in any event—that the United States had adopted a wrong attitude with respect to the matter of the production of synthetic rubber. He apparently felt that too much emphasis had been placed upon the production of that commodity from petroleum, rather than from alcohol and grain. This is his statement, under date of July 6, 1942:

There is certain evidence which I can introduce to you that immediately we started surveying every one of these propositions to make alcohol out of grain, with Publicker, with Seagrams—we started with Doctor Weizmann, a man in whom I have great confidence—I talked to him last Thursday—I think he could tell you the complete story to-day after a full and complete investigation—he will be here Wednesday, if you would like to see him. To-day, after talking with him, I am convinced that if I were starting that programme over I would start with 60 per cent from alcohol from grain and 40 per cent petroleum. That would be my judgment, viewing it to-day, from what I know of the picture.

I think the attitude, as I understand it, of the administration was pretty well set out in an article appearing in the *Western Press* under the name of Mr. Craik, and dated May 1, 1943. This is what he says:

But, the way things are at present, there is believed to be little possibility of the construction of further synthetic rubber plants in the west or anywhere else in Canada. The hard-headed men in the Department of Munitions and Supplies admit quite frankly that their main concern is winning the war. They wanted synthetic rubber, quickly, and, with petroleum readily available at Sarnia, and the example of United States in manufacturing rubber from petroleum they decided to go ahead on this basis.

They believe that the Sarnia plant will produce sufficient rubber for essential wartime needs, by which they mean military needs, and that is all they are interested in at present.

I might interject there that in view of the statements which have been given to the public to the effect that sufficient synthetic rubber will be available from the Sarnia plant in September of this year, for the purposes of the armed forces, the administration should be extending its programme so that other essential needs may be met.

Mr. Craik goes on in his article to say:

All this is not to say, of course, that the case for synthetic rubber plants in western Canada is closed. Men closely connected with investigations into the industrial uses of agricultural products believe that, if the war stretches out over a few more years, it may become necessary to make more synthetic rubber to meet the increasing demands. Then, they say, the logical thing to do would be to build the plants in western Canada. They also point out that, if the war becomes unduly lengthened, petroleum supplies would tend to become shorter than ever, while the probability is there would still be great reserves of wheat.

According to what the minister said the other day, petroleum supplies are getting shorter. Mr. Craik goes on to say:

All this points to wheat as the product from which rubber will be made, provided greater need arises in the future.

I refer to these statements and make these quotations in order to indicate to the committee and the minister that there is a feeling of great suspicion in the minds of many people in this country in connection with the production of synthetic rubber. It seems to me that in order to clarify the situation the minister should make a complete statement. I urgently suggest to him that he consider this matter, not from the short-time point of view but from the long-time point

of view, as was referred to by the hon. member for Macleod who preceded me and who discussed industrial matters generally.

We are going to have tremendous problems on our hands at the conclusion of the war, and we should take advantage of every opportunity to combine the solution of matters which will arise during the war with the solution of problems which will arise after the war. This feeling which is abroad should not go unanswered. The agricultural interests in western Canada consider that they have not a chance against strongly entrenched industry as represented by the oil and natural rubber concerns unless there is intervention by the government in some way. Here was a case where the government was putting up the money to provide a wholly government-owned corporation; they had complete control of the situation, and I suggest that they should have attempted to take advantage of the situation in a way that would have solved some of these other problems. We have a grave suspicion that the administration has missed the boat in connection with the possible solution of some of our post-war difficulties.

Mr. GERSHAW: Mr. Chairman, I should like to pay a tribute to the Minister of Munitions and Supply and to his staff for the magnificent production record they have. Many men in the department are giving of their experience and abilities freely and are making a great contribution. There are times when materials are required urgently, and to meet these demands requires business experience of the highest order. I feel that if the same energy and thought were put into the solution of our post-war problems as have been put into the solution of these production problems, the people of Canada will need have no fear for the future.

Among the duties carried out by the department, as I understand it, is the locating of air schools, air fields and things of that kind. This is done by the technical officers of the department, and it is often quite difficult to follow their line of reasoning and understand why these airports are located where they are. Unfortunately some of them have been built in locations where there was no water; others have been placed in windy localities where the climate was rigorous, where the snow was deep and where flying hours were limited. Southern Alberta has a wonderful climate, it has clear visibility and mild weather. Places like Bassano, Empress and Bow Island have railroad connections, water and all the other conditions favourable for the location of schools and industries of this kind; yet they have been overlooked.

One service flying training school has been located in the district and it has been eminently successful. They have been able to put in longer flying hours there than in any other place in the dominion. The climatic conditions have been right; the visibility has been good, and the nature of the terrain is perfect. It is a matter of considerable pride that the school located at Medicine Hat stands out prominently among all the schools of Canada. It has the efficiency flying flag at present, and the officers are the very best.

Mr. COLDWELL: I should like to ask the minister one or two questions under this item. Could he give us a break-down of the item?

Mr. HOWE: I had the books here before dinner, but I have left them in the office. I can answer that to-morrow. Part of this is a carryover from commitments made in the last fiscal year, and it covers also plants in contemplation as well as facilities that we expect to expand.

Mr. COLDWELL: Would that be in connection with chemicals mainly?

Mr. HOWE: Yes. The rubber plant at Sarnia represents a $40,000,000 expenditure, and it was not 50 per cent paid for at the close of the fiscal year. Other chemical plants are in process of expansion. As types change, there is a need for retooling. The putting out of a new type gun or a new shell involves expenditures, and these have been estimated by the various departmental heads and are included in the figure.

Mr. COLDWELL: Does the minister's department have any responsibility for the building and operation of the pilot plant which is experimenting with the production of synthetic rubber from alcohol, or is that under the national research council.

Mr. HOWE: The national research council are doing certain work on the manufacture of alcohol from grains, and the department has made an exhaustive study of the relative merits of synthetic rubber based on grain alcohol and synthetic rubber made from a petroleum base. It came to the conclusion that as a long-range situation the part of wisdom was to use petroleum as a base. The use of grain instead of petroleum would involve a very low price for the grain. Wheat is a food and is entitled to a higher value as a food than it can have industrially. For example, to-day alcohol is being made from wheat, whereas in normal times it would be made from molasses at perhaps one-third the cost. To base a huge enterprise such as the synthetic rubber plant at Sarnia, which will cost in the neighbourhood of

$40,000,000, on cereals—wheat is used in the manufacture of alcohol only on account of transportation difficulties in connection with obtaining cheaper materials—to base such a plant on a temporary situation, on a war situation, did not seem the part of wisdom.

I shall be glad at the next sitting to give the committee a statement on the synthetic rubber situation and the reasons which led the government to base the manufacture of synthetic rubber on petroleum rather than on wheat. I shall give some detail. I was rather interested in the call I had from a committee of the Saskatchewan wheat pool which had visited a number of authorities in the United States and practically all the laboratories there, as well as obtaining such information as they could in Canada. That was an independent investigation made by people who could logically be expected to favour wheat as a basis for rubber rather than petroleum, and in my discussion with them I concluded that they had reached the same decision as had been reached by my officials, that to base the future of wheat on its use in industry would be very unfortunate for wheat. However, I have a statement prepared and I shall be very glad to give it at the next sitting.

Mr. COLDWELL: I am pleased to hear the minister say that he will give a complete statement on the subject to-morrow. One of the reasons why those of us from the prairies are so much interested in the production of rubber from grain is the fact that we have such huge surpluses of grain at the present time and we look into the future with something of misgivings. We know perfectly well that Britain has increased her cereal crops to a tremendous degree during the war, and we know that it is the intention of the British government to continue the production of grain on as great a scale as possible after the war, for obvious reasons, one being that she will no longer be the creditor nation that she was before the war and consequently will have to feed herself to a greater extent than before the war.

I appreciate the point of view that the members of the wheat pool may have. I do not know exactly what their viewpoint was, but it was indicated to some extent by the minister when he said that it would be unsafe to predicate the future of the wheat grower upon the manufacture of synthetic rubber. But the point we have in mind is these tremendous surpluses that we now have on the prairies. While there is every prospect of their being reduced to some extent owing to conditions in the United States, nevertheless we are likely to be faced with a considerable amount of wheat in this country at least until the war is over. When I was in Washington the other day the Vice-President told me that if transportation could be arranged, even now very much of our western wheat would be used over there, that it was very largely the question of transportation that was bothersome. Consequently, temporarily at least, while we may see some alleviation of the difficulty which we have faced during the past several years, I am rather looking to the future beyond the two years, we will say, after the war. If Britain continues to grow wheat and the Argentine republic has surpluses of wheat; if Australia has surpluses stored up on account of the war—her stock is disappearing to some extent through the United States armed forces in Australia—we want to find uses for our grain that will give some security for the future, some guarantee that the grain will be used.

I do not know whether the minister read an article a short time ago by Miss Dorothy Thompson—I read it but I have not it with me—in which she contended that the making of synthetic rubber from an alcohol base derived from grain was thoroughly feasible, but that it had been blocked by the oil companies who were interested in carrying on experiments and the production of synthetic rubber from petroleum. As was well said by the hon. member for Davenport this afternoon, it is a dangerous position to get into to allow this great new synthetic rubber industry to be controlled by the oil industry, which in turn is very largely a monopoly. We all know the extensive and numerous ramifications of the Standard Oil company, associated with its own company in this country, Imperial Oil, and none of us likes to see this great new industry of synthetic rubber left wholly under the control of the great oil companies. There are only two or three of them—Standard Oil and Royal Dutch Shell practically divide the world between them. But if we could see synthetic rubber made from alcohol—we do not have to look to grain exclusively, for there are other sources of alcohol; the minister mentioned the cutting off of the supply of molasses—it would change the whole picture. We can make alcohol from all kinds of other vegetable products. Various trees, for instance, are potential sources of alcohol.

I am glad the minister intends to make a statement on the subject to-morrow, because it is a very live one in our part of Canada, the west, and those of us in the house should be fully informed as to the whys and wherefores of making synthetic rubber from petroleum rather than from alcohol. Most of us would prefer to see alcohol used as the base rather than petroleum, which is in the hands of a great petroleum trust.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Tuesday, June 15, 1943

The house met at three o'clock.

INCOME TAX

REQUEST FOR EXTENSION OF FILING DATE FOR 1942 RETURNS

On the orders of the day:

Mr. P. C. BLACK (Cumberland): I wish to direct a question to the Minister of National Revenue. May I ask whether the time can be extended beyond June 30 for the filing of income tax returns for 1942, more particularly under T-1 general? It is pointed out to me by chartered accountants and business firms that in many cases it will be impossible for them to file their returns by that date and they contend that they should not be subjected to penalties or excessive interest charges. There have been changes in tax legislation and delays in the printing of the legislation and forms, which have been only recently distributed. Moreover, the staffs of chartered accountants and the offices of business concerns have been depleted by enlistments and by the transference of men to government work, and these have been replaced by inexperienced help. In addition to that, the work has greatly increased and many of these firms of chartered accountants find it impossible to make up their returns as of June 30.

Hon. C. W. G. GIBSON (Minister of National Revenue): The hon. member was good enough to give me notice of his question. Income tax returns which are due on June 30 are the individual returns, and the returns of corporations whose years ended on December 31. While amendments to the act delayed the production of the 1942 income tax forms, taxpayers have had six months in which to determine their 1942 incomes, and the forms have been available since early this month. There still remain over two weeks in which to file these returns.

I realize that some congestion exists in the offices of chartered accountants, who have numerous returns to prepare, but in view of the large number of taxpayers who will be filing returns, and the millions of dollars payable this month, it is not considered advisable to postpone the collection of this large sum by a general extension of time.

MUNITIONS AND SUPPLY

REFERENCE TO PRESS REPORT AS TO PURCHASE OF OFFICE EQUIPMENT

On the orders of the day:

Hon. C. D. HOWE (Minister of Munitions and Supply): I wish to correct certain information given this morning in the two Ottawa morning papers referring to return No. 257, subject, armchairs, chesterfield suites, sofas, et cetera, tabled yesterday in the House of Commons. Both articles implied that the chesterfields and other equipment purchased by the department were for its own use, whereas the returns specifically stated that the department merely acted as purchasing agent for the three armed services in buying the equipment referred to. The Department of Public Works purchases all such equipment used by the Department of Munitions and Supply, and since the inception of the department has supplied the Department of Munitions and Supply with: 991 armchairs of every kind; no chesterfields; six sofas and lounges.

LABOUR CONDITIONS

STRIKES IN GALT, ONT., WAR PLANTS

On the orders of the day:

Hon. H. A. BRUCE (Parkdale): I direct the government's attention to a news item appearing in to-day's papers. It describes a Mr. Arthur Williams as organizer for the Canadian congress of labour and he is reported to have suggested Ontario-wide trade union action to suppress striking employees in war plants at Galt. What action does the government propose to take in the circumstances under the defence of Canada regulations?

Mr. SPEAKER: That is a question that should be put on the order paper.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Monday, June 14, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

MUNITIONS AND SUPPLY

1. Additions and extensions to plants, $195,000,000.

Mr. LIONEL CHEVRIER (Parliamentary Assistant to the Minister of Munitions and Supply): Mr. Chairman, I should like to discuss briefly this afternoon a subject which I believe is of some importance in the consideration of the war appropriation resolution so far as it concerns the Department of Munitions and Supply; that is, the purchasing policy of the department. For a moment I want to consider the method adopted in the department to reduce costs and to control profit margins. I should like to discuss briefly the contracting policy of the department, the manner in which contracts are awarded, the various kinds of contracts, the controls exercised over them, some of the conservation methods that have been adopted by the directors-general and the consequent reduction in prices of many of the commodities and instruments of war purchased by the department. These are all matters which have been discussed in the house from time to time, and I should like to show that the job of the department is to get the maximum possible value for the taxpayer's dollar, which involves not only seeing that profits are fair and reasonable but that costs are driven down in every possible way.

The chief job of the Department of Munitions and Supply is that of procurement for the army, the navy and the air force of Canada, the United Kingdom and the united nations. Its first job is to procure as quickly as possible those things which may be required from time to time. In the first years of the war the department was criticized because it was not producing fast enough. Now that production is here the main criticism seems to be that we are producing too fast and that the programme is costing far too much. I should like to examine that charge in the light of methods adopted by the department and the procedure followed to reduce costs and curtail profit margins. Before going into that subject, however, there are three points which I believe deserve the attention of the committee. The first point is that Canada has never been a manufacturer of military, naval or aircraft stores. We had not made a single gun in this country prior to the war. Certainly we had never made a tank, and for some twenty-five years prior to the war I do not believe we had produced a merchant shipping vessel. It is true that we had made some commercial planes but we had never made a combat plane, and I am sure hon. members will agree that there is all the difference in the world between a commercial and a combat plane.

Mr. HANSON (York-Sunbury): We had built commercial shipping.

Mr. CHEVRIER: My suggestion was that within a period of twenty-five years prior to the war we had not produced cargo or merchant shipping vessels. I was going on to say that the department was faced with this position, that it had to purchase a huge quantity of military stores never before made in this country. It would go to a manufacturer and ask him to make these articles. The manufacturer, not having made them before, was faced with the difficulty of not being able to submit a price. Very often he would say to the officers of the department, "Do you know what it is going to cost?" The answer from us was no, because we had no further information than he had in regard to costs. Therefore it became necessary to negotiate on the subject of prices, and the difficulty resulted from the fact that the contractor not only had not made these implements of war previously but did not know the price to quote, any more than the department knew it.

The second point I wish to bring to the attention of the committee is that all those who have given this subject any thought have come to the conclusion that the most desirable kind of contract that could be negotiated under those circumstances was the fixed price contract, in which the contractor undertakes to furnish to the department a fixed number of articles at so many cents or so many dollars. That is the ordinary contract that everyone was accustomed to in peace time. Obviously it has many advantages, because the contractor takes all the risks. Then the third point arose, but how are you going to negotiate safely fixed price contracts upon stores that not only have never been made in this country before but concerning the prices of which neither the department nor the contractor had the slightest idea?

That was the fundamental problem of munitions and supply in connection with the purchasing of a great deal of the military stores that it required from time to time. The department therefore had to establish a policy

and set up a technique. Briefly summed up, this is what was evolved. Wherever possible the competitive price system is used as the best method of finding the most efficient contractor. The department thinks that the cheapest production, both from the point of view of cost as well as the point of view of profits, can be obtained through the negotiation of short term contracts on a fixed price basis. However, the success of contracts of this kind depends entirely upon the ability of the department to obtain full, accurate and up to date knowledge of the costs of the contractor. Where this is not possible and cannot be obtained, as in the case of tanks and certain guns which have as many as 2,400 parts, the department has had to work out variations and modifications of the fixed price contract.

Here let me note that four-sevenths, in point of number, of all the contracts awarded by the Department of Munitions and Supply have been on the fixed price basis.

Though some criticize the tender system, the department adheres to the view that if we can get real competition between two or more concerns we are likely to get low prices on the first order and still lower prices on subsequent orders. Practically all purchases of foodstuffs, barracks stores, supplies, clothing and equipment of that kind have been purchased on the tender system. Obviously, however, the tender system will not work out when applied to the purchase of equipment mostly technical in character, which has never been produced in this country before. The department therefore hit upon the expedient of the cost audit. It allowed the manufacturer a reasonable fee for his work, with the understanding that at the earliest possible date it would examine his costs and revise his price as his costs might warrant.

Contracts, as a general rule, and in a broad way, which are awarded in the department may be divided into two parts, those awarded to independent contractors and those negotiated by so-called agents. The independent contracts may in turn be subdivided into five parts the first of which is the fixed price contract, about which I have been speaking; the next is the ceiling price contract, about which I shall have something to say in a moment. It is the contract which has to do generally speaking with the purchase of mechanical transport. Then there is the unit fee contract used generally in the purchase of guns. Again, we have another division called the target price; and finally the cost plus percentage. This is of course the least desirable kind of contract. But there are some instances when resort must be had to it, as for instance the case of overhaul of aircraft, and repair contracts for aircraft. But it is only in exceptional circumstances that resort is had to that kind of contract.

Contracts entered into by so-called agents may also be subdivided into two parts, those negotiated by government-owned companies, and those negotiated by privately owned companies on a management fee basis. Government-owned companies may be either operating companies, such as Small Arms Limited, or supervising companies, such as Allied War Supplies Limited. And the management fee contract may be on a unit basis, a monthly basis or a yearly basis.

These are the general divisions of contracts in the department. There are other contracts of an exceptional nature to which I make no reference here. Where the contractor is able to give us a fixed price, which we have reason to believe is fairly close to the right price we negotiate with him what is called a ceiling price contract. This means that the contractor's costs will be audited when the job is done, and he will be paid the actual audited costs, plus a fee, or a percentage on costs. In no case will the cost plus profit exceed the ceiling agreed upon. If on audit it is found that the ceiling price exceeds the actual cost plus the agreed profit, the contractor must adjust his price and return the excess he has been paid. This is what is called the ceiling price contract. It is subject to revision downward only.

Another type of arrangement in lieu of fixed price negotiations had to be found in the case where a reputable manufacturer was unable to submit any reasonable estimate of his costs, and was willing to work for a settled period without any fixed price. In such case it was our policy to allow the contractor his actual audited costs, plus a fee of so many dollars or cents for each unit of output which passed inspection. Sometimes the changing character of the contract necessitated a percentage rather than a fee. However, as I said a moment ago we have used the percentage on cost arrangement only as a last resort, and where it was quite impossible to estimate the duration or the difficulties of the job.

A word about the unit fee. This arrangement has a definite bearing on speed of production. The sooner the manufacturer gets his first unit out, the sooner he begins to earn something for his operation. The more units he produces, the higher are his earnings. The unit fee method has had much to do with the speeding up of production and the reduction of costs.

The question is sometimes asked: How can the cost plus fee arrangement lead to low

costs? Where is the incentive? The answer is that you do not speed production without a more efficient use of man-power. And where you reduce the number of man-hours required for a certain job, you also reduce its costs. So that the incentive to speed also creates an incentive to cost reduction.

At the start of a programme the manufacturer usually gets a large number of employees around him, in order to speed up production. Gradually he will find this to be somewhat cumbersome, and will always reduce the number of his employees later on, as the programme advances, in order to obtain more efficiency. This inevitably will lead to lower costs.

Still another method for creating incentive for cost reduction, where a fixed price cannot be established at the beginning of a programme, is the target price contract. The target price is something for the contractor to shoot at. It is really a trial run on the preliminary part of the programme. If the contractor gets under the target he will get a profit. If he goes over the target he will be penalized. Under this plan the contractor agrees to accept the target price for the first five or ten per cent of the amount of his contract. If after an audit it is found that the actual cost is the same as the target, the contractor gets a profit of five per cent of the target. If the contractor's costs exceed the target his profit is reduced by twenty-five per cent of the excess over and above the target. Should his actual costs be less than the target, he gets a bonus of twenty-five per cent of the saving. On this type of contract frequent audits are made sometimes as often as every three months.

So that we finally arrive at the position where it is possible to negotiate with the contractor a fixed price contract. I should like to point out, Mr. Chairman, that all these various modifications of the fixed price contract, such as the target price, the ceiling price and the unit fee arrangement are temporary arrangements being used by the department pending the day when it will be possible to negotiate contracts on a fixed price basis.

One of the great difficulties about establishing fixed prices is the frequent change in the design of equipment while it is in production. There is no known way of determining the efficiency of war equipment, except by use in combat. We find we must ask our contractors to make frequent changes in the design of equipment. Had it not been for these modifications and variations of the fixed price contract, production would certainly never have attained the peak it has attained to-day. The best proof of the wisdom of our policy is that to-day there exists in the department a group of war contractors who are definitely cost conscious. Their interest in cost reduction is second only to their interest in production.

I should like now to pass on to the checks or controls which are exercised in the department over contracts of a cost-plus nature. These are three in number: First, the treasury cost accountant; second, the representatives of Munitions and Supply, and third, the directors-general of the various programmes.

The cost accountant is an official of the Department of Finance. He is attached to the treasury branch of that department, and he works hand in hand with the Department of Munitions and Supply. There are hundreds of these cost accountants scattered throughout war industries in the country. Their job is to find out what costs are, and to supervise those costs. These men operate in accordance with a strict formula. For the information of the committee I should like to table the costing memorandum of the Department of Munitions and Supply, known as No. 433. This memorandum sets out in detail the items which may be charged as items of cost and those which may not be. I can assure you that there is no provision for donations, entertainment expenses, advertising expenses, bank interest and the like. If hon. members are interested in this costing memorandum and will read it, they will find there in great detail all the items which may or which may not be charged as cost items.

The cost accountant does not confine himself in his investigation to what the books show. He inquires into matters such as scrap losses, quantities and costs of materials, use of man-hours and things of that kind which are not normally shown on a company's books. He tries by a spot investigation to make sure that the company's payroll is genuine and has not been padded. He tries to bring into relief all substantial or unreasonable salary increases or bonuses which may not appear on the surface. He segregates and isolates expenses incidental to the development of a programme and which are not likely to recur in its advanced stages. He aims to tell the department the story of what is going on in the industry with reference to cost; he tries to tell the department not only the cost during the first period of production but also the cost after production is well under way. Where such costs are obtained the department is then in position to negotiate fixed price contracts.

The representatives of Munitions and Supply are experienced officials of the department who operate in the large war industries, particularly those on a cost plus fee basis. It is the responsibility of these men to help the industry increase production and reduce costs. They are also required to report all cases of inefficient or uneconomical operation. The directors-general of production supervise and direct all programmes. With their associates and assistants they combine the best production and technical experience that is available in the country.

For some time past the production departments under the direction of the coordinator of production have begun a campaign of conservation, the object of which is to help the contractors conserve machine tools, man-hours and materials of a critical nature. When this campaign was exhibited in Toronto in October last year it was estimated that at that time it had saved the country some $155,000,000. The estimate to-day would unquestionably be much higher. This exhibit of conservation projects was afterwards moved from Toronto and may now be seen in Montreal. If there are some hon. members who have not seen this exhibit I would suggest to them that they could profitably spend the time necessary to go to see it. It is now at 1155 Bishop street, Montreal. I am informed by one of the directors of this branch that some time next week the exhibit will be moved to Ottawa, where it may be seen.

I should like to give to the committee four or five examples taken from this conservation project which I believe will speak volumes for what has been done in the campaign. (*a*) First, I should like to refer to what has been accomplished in connection with the body of the Bren gun. This body is made from a steel forging, and after certain experiments it was found possible to redesign the forging dies so that it would be nearer to the finished shape. This resulted in a saving of 1,200,000 pounds of stainless steel and a large amount of chrome, which is scarce. Owing to the improved shape, 10,000 man-hours have been saved in the machining of this one part. A value of $125,000 may safely be put upon the saving in connection with this one item.

(*b*) The small catch for the Bren gun magazine was originally built up with welding rod and then machined to shape. It was found possible to accomplish the same purpose by three press operations, and the result has been a saving of 198,000 pounds of welding rod, and $39,000 worth of oxygen and acetylene. The saving in labour has been 515,000 hours and ten machine tools have been eliminated. The value of this conservation project is about $329,000. (*c*) The bipod assembly on the Boys anti-tank rifle was redesigned to be made from a malleable iron casting instead of from a steel forging, steel tubing and bar stock. The annual saving here has been estimated at 771,600 pounds of steel forgings, and forging capacity is very tight; 72,000 pounds of seamless steel tubing, which is scarce and has to be imported; 164,500 pounds of bar steel; 477,600 hours of labour and 77 machine tools. We can value this project at $1,780,000.

(*d*) The fuse for the 25-pounder shell was originally machined from brass bar stock. Brass calls for copper, which is extremely critical. The fuse was re-engineered to be made from zinc die castings. This resulted in saving 44,000,000 pounds of brass. At the same time 816,000 hours of labour were saved annually and fifteen machine tools were eliminated from this operation. This conservation project can be valued at over $6,500,000. (*e*) I should like to select one example from several hundred successful changes which have been made in the universal carrier. The track sprocket was originally rough flame cut from steel plate and partly finish machined all over. Now the sprocket is made from centrifugally cast steel and the only machining necessary is the boring of the hole for the shaft and the drilling of a few small holes. The annual saving in plate stock is nearly 9,000,000 pounds; 725,000 hours of labour have been saved, and the total saving can be valued at $1,700,000.

(*f*) Not all the ingenuity of this campaign has been directed toward war stores. Here is a case concerning the packing of motor vehicles for overseas shipment. A change was made in the manufacturing of the truck, which made closer packing possible. A study of the building of the boxes as to use of lumber and nails was made. This resulted in a large saving of shipping space, as well as a saving of 3,635 freight cars, over $2,000,000 worth of nails and lumber, and over $1,000,000 in labour. I would point out that no one can put a value on the shipping space which was saved.

The technical and financial press has been awake to the significance of this great conservation movement which is rapidly assuming the aspect of a crusade and it has spread the news of the accomplishments throughout Canadian industry. All these examples of savings were selected from a group of over 500 reported to the department some months ago. To them must be added over 350 more items reported in recent months.

All this information naturally raises the question of what has happened to prices in relation thereto. In addition to the greater

production that has been made possible through the conservation of the resources of the united nations, what additional value have the Canadian people been getting for the dollars they have paid in taxes or invested in war bonds? The news here is also good, and again I would ask the house to bear with me while I quote several examples of reductions in prices, as follows:

No. 119 fuze—price reduced from $3.05 to 65 cents.

100-round Bren magazine—price reduced from $38.58 to $18.

2-inch trench mortar—price reduced from $120.48 to $80.

3-inch trench mortar—price reduced from $345.65 to $236.

Universal carrier—price reduced from $3,825 to $2,900.

2-inch bomb thrower—price reduced from $81.81 to $67.05.

Gun barrels	Forging	Machining
3·7 A.A.	$1,650 to $900	$1,733 to $375
40 M.M.	$187.20 to $160	$460.53 to $183.40
2-pdr.	$178.50 to $171.60	

I am advised by the munitions contracts branch that the quarterly review of fixed prices on ammunition components for the second quarter of 1943, as compared with the first quarter, indicates a total over-all saving of $2½ million.

Gratifying as these results are, they do not permit of any complacency. Critical shortages still face us. The need for the most frugal use of man-power still exists.

One most encouraging feature of to-day's picture is the earnest participation of the workers themselves in making their labour more fruitful. "Employee suggestion plans" are being installed in plants throughout Canada. Canadian workers, stimulated by fair systems of recognition and rewards, have turned in thousands of usable ideas. Many are small in importance by themselves, but when multiplied by the thousand, they assume gigantic proportions. It is too early to try to make any estimate of the total savings which will be made by Canadian workmen, but here is a sample from one industry only which will indicate the possibilities. In this one industry during the period from August 22, 1942, to April 3, 1943, no fewer than 4,512 suggestions were received from the workers, of which 460 have been accepted and put into production, and over 1,200 have yet to be studied. In that industry the workers have been awarded $21,352.65 for their suggestions.

[Mr. Chevrier.]

I would like to say a word now, if I may about renegotiation. Notwithstanding the precautions taken by the department to reduce costs and curtail profit margins, occasionally there develops a case where the profit on a fixed price contract is an inordinate one. This may develop where large volumes of material or equipment of a certain kind have to be obtained. When this occurs the department takes the view that the contractor in war time should be content to give the taxpayer the greater part of the benefit of the improved techniques, rather than retain them for himself.

While the department appreciates the principle of the sanctity of contracts entered into between itself and its contractors, still it realizes that in war time there is a responsibility placed upon the minister to protect the taxpayers' money. For this reason, where it is shown that profits are unreasonable, the department renegotiates contracts, first, voluntarily, and then on a compulsory basis if need be. The powers in this regard conferred upon the minister, are to be found in clause 13, subsection 4, of the bill which was passed by the house some weeks ago. The subsection reads as follows:

Renegotiate contract price.

(4) If the minister is satisfied, upon an examination of the accounts and records of a person who has entered into a munitions contract, that the contract price paid and payable to such person contains an unreasonable profit, he may direct such person to renegotiate the contract price and may direct that there be withheld from such person any amount of the contract price which in the opinion of the minister represents an unreasonable profit, and may direct such person to pay to the Receiver General of Canada forthwith any amount which such person has received which in the opinion of the minister represents an unreasonable profit.

Then again, there is the control exercised over war profits by the corporation income tax and the excess profit tax. Following the budget of the year 1942, a company would pay at least 40 per cent of total profits as a corporation tax and an excess profit tax of 10 per cent of the net income, or 100 per cent of the excess profit over the average for the standard period. No change has been made with reference to these taxes in the budget which was brought down this year. Under existing tax laws no corporation can earn, after tax, a greater amount that seventy per cent of its pre-war standard profit.

It will be seen therefore, Mr. Chairman, from what I have been saying that the job of munitions supply may be subdivided into three parts, which in order of importance are: (1) to secure the required output in the minimum of

time; (2) to secure all benefits of modern production and cost reduction technique; and (3) to keep profits under strict control.

I do not pretend, Mr. Chairman, that we have attained one hundred per cent efficiency in all these, but all in all we are doing a good job in spending the taxpayers' money.

Mr. HANSON (York Sunbury): You are spending enough money all right.

Mr. CHEVRIER: There is no doubt of that, but my contention is that we are doing a good job in spending that money and we are trying to negotiate contracts on a proper, sound and businesslike basis. We are maintaining a close check on costs and profits through the audit system, and we are seeking to improve manufacturing technique by daily contact between our production officials and our contractors.

I should like to quote here what some people who do not live in this country think of our system, and I say this, that notwithstanding the criticism which may from time to time have been levelled against the control of war profits in Canada our system is more efficient than that at the present time obtaining in the United States. I should like to quote from an article which appeared in the "University of Pennsylvania Law Review." It is from the pen of James R. Withrow, Jr. Mr. Withrow is a graduate of Cornell university and a member of the New York Bar. He wrote an article entitled "The Control of War Profits in the United States and Canada." He came to Canada and spent some time here studying the methods which we adopted, in order to compare them with those exercised in the United States. In this rather lengthy article he goes into the manner in which the country to the south handles costs and profit margins as compared with the manner which we adopted, and he concludes in this fashion: I quote two sentences from his concluding paragraphs:

> Canada's method of controlling war profits is to negotiate contracts carefully and for a short period of time, and to provide wherever possible, an incentive to the manufacturer to reduce his costs. The tax laws are left to take care of the rest. . . .

And the concluding sentence:

> Certainly Canada's policy of awarding war contracts for short terms and subject to continuous scientific cost inspection, and thereafter relying on high corporate and excess profits taxes, seems better adapted to eliminate war profits without any discouragement of production than the procedures which have been followed in the United States.

Canadians might well be proud of the fact that, after almost four years of war, with an unprecedented outlay of public funds, there have been few charges of graft and almost no accusations of improper use of war moneys. In the few cases where waste and dishonesty have been discovered, the department has acted quickly and effectively.

The department is most anxious to maintain its reputation for honesty and efficiency. That it has done so in the face of many obstacles is due not only to the checks and controls which I have been speaking of, but particularly to the high calibre of the men who administer the war programme.

Mr. GRAYDON: I rise to take part in this phase of the committee's discussions in order to deal with two points only, and those at not very great length.

The Minister of Munitions and Supply, in his statement to the house the other day, pictured the development of a department which, judging by the buildings it occupies in Ottawa alone, seems to be almost an empire in itself. I take it that his statement was intended as a tribute to the energy, the capacity and the determination of Canadians in industry and in labour circles so far as the prosecution of our war effort to a successful issue is concerned. Sometimes we tend to divide ourselves into sections in our attitude to the war effort. That is a mistake. All Canada—every one of us—is in this effort; and, assuming the minister desired to express his commendation of those who are engaged in the production of materials of war, I would endorse that expression. I would, however, point out that since the administrative end of the department has developed into this huge empire, perhaps some criticism of a constructive nature may properly be directed to the minister in charge and to the government.

So far as industrial production goes, the government has adopted the policy of employer and employee production committees sometimes known as labour-management production committees. Their objective, of course, is increased production. The government, being committed to the encouragement of employer and employee production committees throughout the industries of the nation, must accept some criticism in view of the fact that it has not set an example by applying this principle in the administrative branch of the Department of Munitions and Supply. I mentioned this in a previous discussion without enlarging on it. Members of parliament have had placed in their hands a chart displaying the structure of the minister's department. Most of us who are interested in labour are concerned to find that, in the whole of this giant administrative

organization, the closest if not the only approach to labour cooperation is represented by the appointment held by Doctor Goldenberg, the liaison officer with the Department of Labour.

I am in hearty agreement with the policy and purpose of employer-employee production committees. We have too long ignored the fact that if we are to go places in production in any line, we must have a partnership of industry and labour. One of the best places where the government could realize this objective is right in the top strata of the Department of Munitions and Supply itself.

I would pay my tribute at this time to the industrialists who have given of their time and energies and abilities to the work over which the minister has jurisdiction. My criticism in no way constitutes a reflection on anyone, whether he be in labour or industry, who is giving of his best. It stems from the fact that in this departmental empire, labour has not its proper place and is not enabled to take its proper part. Hon. members know that in Great Britain organized labour has become a major partner in the national effort. We all admire the attitude of British labour and its accomplishments during the war. To use a phrase frequently employed by the Minister of Labour when the history of the war-time endeavour of Great Britain is written, the contribution of British labour will stand out in bold relief. I would therefore urge upon the minister, with all the earnestness at my command, and believing that we who have been champions of labour in this house and outside it for many years may properly make this suggestion, that he take labour into fuller partnership in the work of his department. The complaint is made not only with respect to the Department of Munitions but with respect to other departments of government as well, that agriculture and labour, embracing as they do two great producing elements of our country, have not, during this period of war, been taken sufficiently into the partnership so as to ensure the most vigorous and effective prosecution of the war.

I come to another point. Now that we have read so much and heard so much about making the world safe for democracy, to most of us who have not during the past been associated with major business enterprises, but have been ordinary common people trying to get along, making the world safe for democracy means at the same time making it safe for the common man. That is one of the things which we are prone to forget; because if the world is to remain safe for democracy it must be a world in which the little man has his place and his proper share of the opportunities of life. I lay that down as the premise of what I am about to say.

I have always felt that those who represent the bigger interests in this country and in other countries as well are able to speak for themselves. It can properly be said that they have not been exactly inarticulate in the years that are past. But it is the duty of those who represent the people in this parliament, as it is the duty of those who represent the people in other legislative assemblies throughout the world, to raise our voices on behalf of the little man; because very often his voice cannot otherwise be heard.

Yesterday we saw an amazing performance, at least so far as I was concerned. Looking on it as one who was attempting to gauge the position of those who were contending one way or the other, I could not help thinking that in the statement given by the Minister of Munitions and Supply there was a certain helplessness with regard to his position and that of the government. I am not going to attach a lot of blame to the Minister of Munitions and Supply particularly. I simply wish to attack a system which leaves him in a position of helplessness such as his words themselves would indicate on an occasion of this kind. Surely in Canada we have not yet reached the stage where a government need suffer from creeping paralysis in relation to international combinations with which it has sometimes to come in contact and with which it has to deal.

It is true, with respect to the contract as to which there was so much discussion yesterday and last night, that there are four nations involved, namely, Great Britain, the United States, Australia and Canada. It may be argued one way and then another with regard to the price which was paid for the product of these plants. But whatever may have been the underlying factor in the matter of price, I think it must have been made abundantly clear that at least the company involved was not losing anything in the transaction. Moreover, it seemed to me that the minister himself was not too sure that the actual price itself was the price that he would have placed upon the product. Rather, he left the impression that the price was set and that the governments of these four nations acquiesced and bought the product at a figure, not that they had thought was the proper one, but one that was set by an international combination.

Perhaps the government may be able to argue that from the point of view of selfish

nationalism Canada might conceivably get a better deal out of the transaction than the other three. That is not a sufficient answer. It is not a sufficient answer to say that the Minister of Finance will be able to hold his pail and get some of the milk out of the whole arrangement by way of taxation. There is a broader and much more comprehensive picture.

Millions of working people in Canada, and the men and women on 750,000 farms, are trying to find for themselves a field for private initative and private enterprise and for free enterprise itself. When the minister speaks as he did about his first job being to fight this war, no one will disagree on that point. But when he speaks of fighting the war and not fighting international combines, it seems to me that this might perhaps be a proper statement to make if the minister at the beginning had been able to assure the committee that while the war was being fought the same international combines were not fighting a battle against the common people themselves. Then it becomes a question not of attack but of defence, and I wish to draw that to the minister's attention, because while we are fighting this war we must be careful that there are no interests, international or otherwise, that are attacking either economically or financially the common people, whether they be working men, farmers, or members of other sections of the community.

Of course mention was made of other interests than that which occupied most of the attention of the committee yesterday. I shall not deal with them except to say that it does indicate, I think, a condition of affairs to which the declaration of the Progressive Conservative party, which met in Winnipeg last December, is pertinent. The party at that convention found it desirable and necessary, in the national interest, to make this public declaration which I wish to put on the record:

> Every person able and willing to work must be assured of gainful occupation with sufficient means to maintain a home and family. The objective is full employment at fair wages under progressively improving standards. We oppose relief as a substitute for work. For the achievement of this objective—

And now I come to the point which I wish particularly to emphasize.

> For the achievement of that objective—full employment at fair wages under progressively improving standards—and for the welfare and development of society, we strongly advocate the strengthening of the basic Canadian tradition of individual initiative and individual enterprise and opportunity, and the freeing of economic activities from bureaucratic controls. Government authority, however, should be maintained and exercised wherever necessary to protect primary producers, workers and consumers from exploitation through such abuses as price-fixing combines, monopolies and patent cartels. To those ends we believe that government should seek to create conditions under which the maximum volume of employment and the maximum national income may be assured through the initiative and enterprise of the people themselves.

Having in mind the desires of those who wish to follow the doctrine of individual initiative and free enterprise, which is in the interests of the people generally, in my opinion international combinations and cartels constitute one of the principal impediments to the achievement of this objective by the little man, whether he be in business, on the farm, in other primary occupations, in the workshop, in the plant or in the factory. Therefore these combinations, it seems to me, may well be the enemy of the ordinary man, and for that reason I raise my voice this afternoon in respect to this matter.

More than that; while it may be said that our friends to the left are very voluble in their criticism of this particular company, I suggest that while it is always necessary to arouse public opinion in regard to matters which need correction, it is equally important, if not more so, that the solution should be brought forward at the same time that the difficulty is outlined. I do not say this in any small, critical way of the group which brought up this matter yesterday, but I do believe that free enterprise and individual initiative never can find their true place in a world order in which monopolistic combinations exist; nor do I think that place can be found in a world order in which socialism is rampant. So as far as this party is concerned, our desire is expressed in the words which I read from the policy embodied in the convention platform, and I think that is one thing upon which the people of Canada will be generally agreed.

I should like to say a word in reference to the remarks of the hon. member for Stormont (Mr. Chevrier), who is the parliamentary assistant to the Minister of Munitions and Supply and who spoke this afternoon. The hon. member made it abundantly clear that as far as his department is concerned the problem of the renegotiation or adjustment of contracts could be dealt with on a voluntary basis; but he took care to indicate that the department would not hesitate to deal with these matters by compulsory methods in connection with contracts which they considered to be unfair, and he pointed out that the act gave the department power to proceed in this way. Following that statement I have a suggestion to offer in regard to the contract which has been under discussion. In the first place it seems

to me, as I think it must seem to the government and the minister, that this is a contract which in the interests of the Canadian people as well as the interests of the united nations should be reviewed and renegotiated. There is no reason in the world why Canada should not take the lead with respect to the whole question of international combinations. I do not think this country wants to take a back seat, in comparison with other countries in the world, in exercising initiative with respect to the formation of a new order when this war is over. I like to think that this nation will be in the front line when it comes to world-wide reform, as we want to see this country in the front with respect to domestic reform.

Having that definitely in mind, together with the information that is available in respect to international combinations throughout the world, it seems to me that this country should at once take the lead in setting up an international body which would go into the whole question of these combinations; because, from the minister's own statement, this country would seem helpless to do it alone. Perhaps some will say we should have a royal commission to look into the allegations that have been made with respect to this company, and I would be in favour of that; I put myself on record in that respect now. But I think more than a royal commission in Canada is required; I think we need a commission having power to cover the whole gamut of the united nations. Since this war began we have gone a long way in bringing together representatives of the various nations to discuss different subjects. We have had a conference on the question of food, for instance, and there are other matters which are the prospective subjects of further conferences of the kind. But if we are to clear away the underbrush which may bar the pathway to peace in the years following this war we must undertake some of the hard things as well as some of the easier things, and I think Canada ought now to take the initiative in the formation of an international body which will see to it that in the years to come, whether we are at peace or at war, no group of people other than governments will be able to exercise almost super-governmental powers. I believe the representatives of the people must have control when this war is over. If that is not to be so, we should know it now. If our boys are not to have fought in vain for this democracy which we have envisaged, then we must make some move to be sure that our democracy is not simply a hollow sham when the crisis actually arrives. I suggest that not only in Canada but throughout the united nations, as the representatives of the ordinary people in our own nation and perhaps also in an indirect way representing a cross-section of those in other nations, we have a right in time of war as in time of peace to see to it that these international combines and cartels are in our hands and that we are not in theirs. That seems to be at least a reasonable position for us to take in times like these.

I have no desire to attempt to arouse or inflame public opinion or to engender bitterness throughout our nation in time of war; that would be a despicable position for anyone to take, but I am serious about this matter, because as one of the representatives of the people I am alarmed at the situation in which we may find ourselves when this war is over unless we take some measures now. The united nations have shown in other respects that they can cooperate in a time of war, and that they can cooperate in their discussion of post-war problems. This looks to me like one of the major post-war problems we shall have to face.

In conclusion I suggest that the minister consider at once the question of appointing a royal commission to deal with all matters affecting this company, and other companies which may be similarly involved in world-wide international ramifications, which on the surface at least would seem to be inimical to the best interests of the ordinary man or woman. I would ask that he consider the whole question of such a royal commission, and that as a member of the government he, with the Prime Minister, should take the initiative in investigating the international arrangements and agreements under which a body such as that to which I referred a few minutes ago might be set up in the interests of a continuation of democracy and freedom in the years which lie ahead. Having made those investigations, I suggest that a move be made at once toward renegotiating the contract in the light of what will then actually be found.

I make these observations with as much earnestness as any I have made since I entered public life, because I feel keenly and deeply that we as a parliament are not taking the steps necessary to ensure the kind of democracy that the fighting forces of Canada and of other countries who are engaged in the war effort will expect. I believe we are not taking the steps or providing the measures from which a true and a full democracy, a democracy which will make the world safe for the common man, and give him freedom of opportunity when the war is over, may be developed.

Mr. HOWE: Mr. Chairman, the house leader of the Progressive Conservative party has made an eloquent speech by using the device of setting up a straw man and then proceeding to demolish it. He has asked me one or two questions, and I should like to ask him one. If he found that one company was making all the aluminum that was made by the allied countries at the outbreak of the war, or prior to the outbreak of the war, would he refuse to do business with it at a time when the production of aluminum meant the salvation of the British empire, for the reason that the interests of that company were spread over more than one country?

The production of aluminum is necessarily a business that involves more than one country. It is impossible to manufacture aluminum out of the resources of Canada alone. The principal raw material is bauxite, which comes from British Guiana. There has been an intense search in other areas for bauxite, but only a very small and low-grade bauxite deposit has been found in the western United States. It is being used with the south American bauxite to the extent that it can be used with that product, in order to relieve the hazardous procedure of bringing bauxite from British Guiana through the submarine infested Caribbean to Canada. It has been found, however, that it is impossible to do without a large proportion of south American bauxite in the manufacture of Canadian aluminum. The next most important ingredient is cryolite, which comes from Greenland. Without that cryolite the manufacture of aluminum by present processes is impossible. Another ingredient in a form suited to the manufacturing of aluminum is found in Newfoundland, and must be brought from Newfoundland to Canada to be used in our production.

I have mentioned only three of the chief elements which must come to Canada from other countries. There are other ingredients which are brought in, and necessarily so. From the outset Canada offers for the manufacture of aluminum from within Canada, first, hydro-electric power, which is essential, and second, efficient labour. The hydro-electric power and the efficient labour have resulted in the great industry on the Saguenay river. The use of the water powers which generate hydro-electric power does not involve any depletion of Canada's resources. Water has been flowing over the cliffs of the Saguenay for many hundreds of years, and will continue to do so, whether or not it is developed into water power.

So far as labour is concerned, the second resource supplied by Canada, I would say that through the industry on the Saguenay a great community has been built where no community existed before the coming of the Aluminum company. It would be well worth the time of any hon. member to take a trip through the Saguenay country, and the lake St. John country, and see the homes and the agricultural development which has resulted from the activities of the Aluminum company in that area. I believe it will be exceedingly difficult to say that the operations of the Aluminum company within Canada have left Canada a poorer nation, or one lower in the social scale than it would have been had that industry not located here.

A fallacy has been built up that huge profits are being made out of the war by the Aluminum company. I think if the last three ciphers can be struck off the capital invested in Canada by the Aluminum company through the years, and the last three ciphers struck from the gross and net profits of that company, it will be found that the returns both as to gross and net profits are reasonable in proportion to the invested capital. If that is not so, and when we can stop making demands on the Aluminum company for new capital facilities and new expansion in Canada, in British Guiana and in other countries where operations of direct concern to the Canadian production are taking place, then I think we can go to the Aluminum company and ask for a renegotiation of the contract. But unless we find that there is an excessive profit, as measured by a percentage of capital invested in the enterprise, there is no purpose in the Department of Munitions and Supply attempting to force a renegotiated price.

The price of aluminum is one of the few prices which have been reduced in the war years. Someone has said that aluminum was being sold at a lower price in 1911. I wish that same gentleman would tell me of some other article that was not sold at a lower price in 1911 than it is being sold in this year 1943. Aluminum is distinctive I believe, through the fact that while it has been expanding its production enormously, building new capital facilities for the purpose, and building a great power development, the price has been lower in each year of this war than it was in the preceding year.

My hon. friend has set up another straw man when he says that the Aluminum company is not subject to the laws of Canada. I should like him to tell me upon what he bases that information. Aluminium Limited is a creature of the Dominion of Canada.

Mr. GRAYDON: I did not say that.

Mr. HOWE: The hon. member said that he wanted an international commission to deal with a subject that could not be dealt with by the Canadian government.

Mr. GRAYDON: I know the minister does not want to misinterpret my remarks. The reason I suggested an international commission, as the minister well knows, was the indication by the minister of his helplessness with respect to the whole question of international combinations. I was dealing with international cartels when I suggested that there should be an international commission. I was leaving the minister a loophole, but he seems to have got himself more involved.

Mr. HOWE: I suggested no difficulty in dealing with the situation. I understand that Aluminium Limited owns all the plants which are now producing aluminum for the allied nations, except those in the United States. The whole position outside the United States can be dealt with right here in Canada.

Mr. GRAYDON: Have we full power to deal with the question of international combinations?

Mr. HOWE: Quite.

Mr. GRAYDON: Our responsibility then becomes that much greater.

Mr. HOWE: The ownership of properties in other countries does not create an international cartel. Is the Singer Sewing Machine company an international cartel? It owns a plant in almost every country in the world. So far as I know, that company is subject to the laws of the United States, just as Aluminium Limited is subject to the laws of Canada. There is no need of an international commission to deal with Aluminium Limited or with the Aluminum Company of Canada—they are both subject to the laws of Canada. Their properties within the dominion are subject to the jurisdiction of the federal government in the case of real property and to the jurisdiction of the provincial governments in the case of water powers.

Mr. GRAYDON: Why was it necessary to conduct a prosecution of this company under the Sherman anti-trust laws of the United States?

Mr. HOWE: This company was never prosecuted under the Sherman act of the United States; the company prosecuted was Alcoa, the Aluminum Company of America. I was definite in my statement and said that that company was prosecuted by the country in which it has its head office. If the government of Canada wishes to start a similar prosecution against either Aluminium Limited or the Aluminum Company of Canada, that is a matter wholly within its jurisdiction. These companies are domiciled in Canada, and are subject in every way to Canadian law.

[Mr. Howe.]

Mr. COLDWELL: Aluminium Limited was established here to escape the United States laws.

Mr. HOWE: Nevertheless it is established here, and it is subject to Canadian laws and to Canadian courts.

Mr. COLDWELL: Quite right.

Mr. HOWE: I am discussing the subject matter of the speech by the leader in the House of Commons of the great Progressive Conservative party. He seems to be leading his party into strange doctrines.

Mr. MACKENZIE (Vancouver Centre): He even quoted the Winnipeg convention.

Mr. HANSON (York-Sunbury): It would be well if my hon. friend would digest it.

Mr. HOWE: We are getting it bit by bit and piece by piece.

Mr. MACKENZIE (Vancouver Centre): Bits and pieces.

Mr. HOWE: The need for aluminum has not passed, it has not lessened; as a matter of fact it is greater to-day than it has ever been. We were approached not so many months ago and asked whether we could further enlarge the production of aluminum in Canada, and we were obliged to say that we had reached our limit in that regard. The result is that an expansion is taking place in the United States, and necessarily so, to meet war requirements. I may be entirely in error, but my judgment is that it is better at this time to concentrate on obtaining aluminum to build aeroplanes to win the war—I think it would be utter madness to start a battle between the government of Canada and our Canadian producer of aluminum. The leader in this house of the Progressive Conservative party apparently would stop the war to start a prosecution.

Some hon. MEMBERS: Oh, oh.

Mr. GRAYDON: Mr. Chairman, on a point of order. I have given the minister considerable leeway with respect to the statements he has made but—

Mr. ROSS (Moose Jaw): Very kind.

Mr. GRAYDON: The hon. member who has interrupted is usually quite courteous, but this seems to be one exception. In attempting to reach heights of rhetoric this afternoon the minister has built up a straw man of his own. He has done what he accused me of doing. He now says that I as leader of the opposition have suggested that we should stop the war in order to prosecute somebody under the combines act. I think the minister should

withdraw that statement. I know he did not make it intentionally, otherwise it might be more difficult to handle. I know he never thought for a moment that I said that. I did not suggest it, by inference, by implication or otherwise.

Mr. HOWE: I know my hon. friend did not suggest that we should stop the war. I may be mistaken, and I wish he would correct me if I am, but I think he did suggest that there should be an immediate prosecution of the Aluminum company under the combines act.

Mr. GRAYDON: I did not say that either.

Mr. HOWE: What did the hon. member say? I will read it to-morrow in *Hansard*.

Mr. GRAYDON: The minister may not have been paying as close attention to what I was saying as he usually does. I suggested that in view of the allegations which have been made in connection with this company a royal commission should be appointed to inquire into these international cartels and to find out whether this company actually formed part of such a cartel. In addition there should be a renegotiation of the contract in the light of the circumstances which have been brought to light. I went a little further and suggested that as this was an international situation, Canada should give a lead and set up an international body which would attempt to solve some of the difficulties which have been mentioned in this debate.

Mr. HOWE: In reply to my hon. friend's suggestion, may I say that I have pointed out that Aluminium Limited owns plants in a number of countries, and necessarily so if it is going to obtain the various products that go to making finished aluminum here in Canada. I know it to be a fact that the personnel of Aluminium Limited comprise all the men who are experienced in the art of making aluminum. This happens to be the only company that is making aluminum in this country. As one who must provide aluminum for our war effort, I would not want to take the responsibility of taking the attention of the executives of Aluminium Limited from their task of making aluminum. I would not want to place them in the witness box at this time to tell about their pre-war business dealings.

An hon. MEMBER: Another Bren gun inquiry.

Mr. HOWE: I do not think this is the time for that kind of investigation. Aluminium Limited will be here after the war. If at that time it is felt that their proceedings were improper, they can be investigated. The Aluminum company, along with other citizens of Canada, have done their utmost to meet the requirements of the allies in the field in which they are expert. I have said it before and I say it again, that they have stretched their resources to the utmost in order to do a job in the winning of the war. It only needed a suggestion to be made that we must have more aluminum, that we believed that they were capable of doing more, to have them increase their production. There has been a singleness of purpose in the conduct of their business which I think could be taken as an example by any other industry in this country. As I say, this department is aware of their operating position; their company accounts are an open book; a firm of auditors audits the books, and the results of those audits are known to the department of munitions.

Mr. COLDWELL: What is the firm?

Mr. HOWE: Price, Waterhouse and Company.

Mr. COLDWELL: Is not that the firm of audiors usually employed by the corporation itself?

Mr. HOWE: I think so, but it is a responsible firm of auditors which operates in every British country and in the United States as well. Audits are made of the accounts of the company, the expenditures are known to the government, and we do not believe that the profits are excessive. If a few ciphers could be struck off the figures, and they were compared with the accounts of any other company doing business in this war, it would be found, I think, that the gross and net profits of this company are not excessive.

Mr. JOHNSTON (Bow River): Have our own cost accountants investigated the cost of producing this product—investigated, for instance, the cost of labour and materials?

Mr. HOWE: We have all the cost accountants we can get, but if we put them all on that operation it would take the rest of the war perhaps to follow through.

Mr. JOHNSTON (Bow River): Could not our own cost accountants check over the figures?

Mr. HOWE: I am quite prepared to take the cost accounting of Price, Waterhouse and Company. I think most business concerns in the world have done that at one time or another, and I am prepared to do it. I think their cost accounting is to be relied on. The reason we have not renegotiated the Aluminum company contracts is that we have seen no necessity for doing so from the figures

that have passed through our hands. I am very happy about the operations of the Aluminum Company of Canada in this war, and I wish to say so at this time.

Mr. BLACKMORE: Mr. Chairman, the whole discussion up to the present time has been very interesting to me and highly instructive. I have enjoyed every moment of it. I enjoyed the speech of the leader of the Progressive Conservative party. I enjoyed too the reference he made to the fine spirit of optimism which prevailed in the convention out in Winnipeg, as a result of which his party proposes to find jobs for everyone. But I do wish that somewhere, somehow the party had taken pains to indicate the technique by which they are going to find those jobs.

An hon. MEMBER: Hear, hear—as in 1930!

Mr. BLACKMORE: That technique was altogether missing. If I have failed to see it I hope that one of my Progressive Conservative friends will call around and give me the authorities on the matter. I should like to know where they propose to find markets, and how they propose to guarantee markets, and how they propose to guarantee prices. I am going to tell the Progressive Conservatives here and now that unless they can find adequate markets for the production of Canadian industry they cannot put men to work, because work depends primarily and naturally upon work in industry, and industry depends upon the amount of goods that industry can sell. If industries cannot sell goods they cannot run, and if they cannot run they cannot employ men. Once the Progressive Conservatives get that thoroughly embedded in their thinking they will really begin to be progressive.

An hon. MEMBER: And the Liberals too.

Mr. BLACKMORE: And the Liberals too will have something to look forward to. But where are they going to get the money to increase the purchasing power of the people to enable the people to purchase the goods which industry stands ready to produce? Are they going to raise it by taxation and by borrowing? If they are, then I might as well tell them they can give up now and save themselves a whole lot of trouble in a fruitless search. If they cannot find enough money to put into the hands of the people to give the people purchasing power with which to purchase the production of industry, which production industry is finding a market for now in this war, they will have fewer markets, less production and less work. The laws governing these facts are as irrevocable as the laws of the Medes and Persians, only more so. I just thought that I should like to say that in respect to the Progressive Conservatives. I have no quarrel with them. I am just earnestly trying to find a solution, because I have sons and daughters and grandsons and granddaughters growing up in this country and I should like to see matters so arranged before I die that there is a chance for them all to find work if they want to work and make a living and build homes. But I have not found anything coming from the Progressive Conservatives or from the Liberals which has indicated how this is to be achieved.

With respect to the monopolies referred to by the leader of the opposition and by the hon. member for Rosetown-Biggar, I had not intended to refer to them, but inasmuch as they have been brought up I shall do so. How do monopolies develop in this country? How can they be controlled? Why is it that we do not now control monopolies? Is it that we do not possess the power to make laws, or is it that we do not possess the power of money over these monopolies? The answer to the second question is yes. We can make the laws all right in this country, and we can have the courts enforce them, but up to the present time we have not established unchallengeable control over money. We do not find ourselves able to control private industry—and money is the secret. I should like to know what the leader of the Progressive Conservatives would do in order to control these great monopolies after his international commission had discovered them.

I wish to turn for a minute or two to the remarks of the hon. member for Rosetown-Biggar and to give him just an idea of how I reacted to his excellent speech. I think that last night he did the finest job he ever did in parliament. It was splendid, ably delivered. I enjoyed listening to him. He told us all about the evil which exists, but he did not indicate how he himself would solve the problem which was presented by that evil.

Mr. COLDWELL: Give me time. I had not enough time last night.

Mr. BLACKMORE: I am going to be listening when he gives his solution. I am greatly looking forward to it. I would say this in a general way. If the state took over that great aluminum company; if the state owned it, the state would build up a much greater bureaucracy than now exists and would find much greater difficulty in picking out and placing in the key positions the efficient men that private industries are able to get. Then the government, burdened down with the

possession not only of the aluminum companies but of all the other companies which now form a most imposing and formidable array, would find themselves at a loss to know where to get the money to run them all.

There is another thought which came to me while the hon. member was speaking. He seemed to dislike the idea of international control. I agree with him one hundred per cent; I do too, but it seems to me, unless I am quite wrong, that I have heard the hon. member for Rosetown-Biggar speak with great fervour this session of having supranational governments in this world.

Mr. COLDWELL: No.

Mr. BLACKMORE: I am glad I was mistaken, but I had the impression when I was reasoning with the hon. member for Essex East and the hon. member for St. Lawrence-St. George about their proposals to have a supranational government, and again later in the discussion over the Sandwell case, that the hon. member for Rosetown-Biggar indicated a considerable amount of sympathy for this supranational idea.

Mr. MARTIN: He is learning.

Mr. BLACKMORE: If there was a supranational government established, it would control not only our aluminum but every other industry; it would control all the business of this country and everything else in this country. We should be unable to establish any kind of control over it—which is a very serious matter and which has much importance in connection with the fine remarks of the leader of the Progressive Conservatives. I want to point out to him that I am not opposing but agreeing entirely with his remarks about democracy. If Canada cannot be mistress in her own home and her own house, she cannot have democracy.

Mr. GRAYDON: I must have been right on that occasion.

Mr. BLACKMORE: Oh, the hon. member is right; everything he said was right. I am only finding fault with the things he left unsaid, and they are very important.

I wish to turn now for a few moments to the minister's remarks. I thought he gave a statement which impressed the whole country. I do not know when there has been a more striking and more valuable speech delivered in this chamber. I fancy that Canadians generally could hardly believe that their youthful Canada, which not long ago was called playfully "Jack Canuck", was capable of such tremendous and varied production. The minister went so far as to use the following words, as reported in *Hansard,* page 3556:

> Never again will there be any doubt that Canada can manufacture anything that can be manufactured elsewhere.

Every drop of Canadian blood in my body just leaped, every drop of British blood in me just raced with joy, when I read that. If Canada can produce anything that can be produced anywhere, is there any reason why Canada cannot stand completely independent and have absolute democracy and be completely mistress in her own home? None whatever; only the failure of Canadians to know how to manage the whole situation. I thought, when the minister gave his imposing array of accomplishments, what a triumph for individual enterprise! That much of the production has been a result of government cooperation we will grant, but in the main, by and large, it has been the result of private enterprise. There was no need of taking away private control, of socialization and all that kind of thing, in order to get production—and production is primarily what we need in any country in order that we may have a high standard of living.

Now, if Canada can produce the things she needs—and I am sure she can; scientific progress is proving ever more conclusively that she can—is there any reason why she should not do it? I have contended in this house ever since I came here that Canada should be producing her own sugar, and should have done so; and one of the gravest errors this government made was the failure to provide for the manufacture of Canada's complete sugar supply. I say that that will stand as a reflection on the government and as evidence, to the end of time, wherever it is known, of their lack of wisdom and judgment. We should produce our requirements of everything else that we can produce. If we produce what we can consume we can be more and more self-sufficient. And why not?

In the course of the debate on this three billion dollar war appropriation we have had a long talking time. If I remember correctly, we commenced the discussion of this appropriation on May 13. I have listened with great interest and thoughtfulness to most of the speeches which have been delivered, and I have asked myself this question, "Is this speech a wasting of time?" And I must confess that it is next to impossible to say of any speech which I have heard in the house that it has been wasting time. It has been good; and yet we have used much time, time that we needed for other things. Now we hear talk and read

in the newspaper rumours about closing up in the middle of July. I do not know of anything that could strike consternation into the people of Canada more surely than if they understood all that this house has to take care of this year and it is then reported that the house would rush and scramble and tear in order to get through in the middle of July, or would leave undone the things it ought to do because it has not time to deal with them. The middle of July is just one month away. I say that to deal adequately with the various problems which this house is in duty bound to take care of between now and the middle of July is utterly impossible.

In a general way I would say that parliament must somehow reform itself. I do not know just how it should be done; I am not prepared to make a suggestion now; but certainly parliament must bring itself up to date. Ox-cart ideas and horse and buggy methods are not good enough for this streamlined high-powered age, and our achievement this year has clearly shown it. Parliament has clung too long to out of date ideas and antiquated methods. Parliament has shown thereby a dangerous lack of vision, and "where there is no vision the people perish." Both democracy and the people are in grave danger at the present moment of perishing—not in Canada alone, but on the American continent. Dangers are lurking on every hand, both within the nation and without. We members of parliament must be exceedingly vigilant and resourceful if we are to be equal to the demands made upon us in this day and generation.

This is the eighty-ninth day of the fourth session of the nineteenth parliament. In the main, hon. members have spoken freely; that is, we have free speech. But on the whole they have failed to achieve their desired objectives —and I would include in that expression every member in the house. All I need to do is to refer to the old age pension question as an example. I think there is not an hon. member who does not want the aged people to receive $30 a month and receive it right away—not only the ones who are now receiving pensions, but everyone who has arrived at sixty years of age. Why are the members not able to attain their desire? There is something radically wrong; that simple little illustration proves it beyond the shadow of a doubt. When not only the whole of the people of Canada want a thing but all members of parliament want it, and we call this country a democracy, and still we cannot get it, then surely something is wrong. Where could I find more complete jutsification for the remarks I have just made? In other words, ideas and methods which we have had in this house up to the present time as a whole have just not got us anywhere; they have not got us where we know we ought to be.

It is not so much that hon. members do not have freedom of speech, but that somehow they lack wisdom to use that freedom of speech effectively by translating it into action. True, we have prosecuted world war number two with a gratifying measure of success. But with the great underlying causes which brought on that war, this parliament has not once come to grips—not once—in all the seven years I have been here. I maintain that that, again, is a condemnation of this house, somehow, somewhere. This parliament ought to ascertain without further delay the causes which brought on this war. Surely they are to be found, and surely hon. members will agree about them when they are found. This parliament should face the facts fairly and fearlessly. It ought to find means of removing these causes once and for all, and it should seek to do so diligently and systematically, without passion or prejudice. The members now sitting here ought to see to it that every possible effort is made to remove the causes of war. Failure to ascertain the causes of this war, failure to find the remedy, and neglect to apply that remedy, will mean that this parliament will become guilty of criminal negligence in the highest degree and will stand condemned before generations yet to come. And the members now sitting here, in this year of Our Lord 1943, will betray their trust, will betray the people who elected them, will betray the boys and girls who fight, will betray the millions of workers who toil, will betray the babes in the people's homes, and the generations yet unborn. This parliament cannot escape responsibility. Its duty is to act now in the coming months of 1943.

There are several important matters that this House of Commons should deal with itself. Members will ask, how are we to do it? If the members of all parties, in an honest, straightforward endeavour, tried to do it they could do it; perhaps not in this house, but in this city, in this building. The great question is, Do we want to do it? The greater question is, Are we going to be honourable enough to do it? For example, we could determine as a group of members outside the house entirely, and independently of party lines, that we will find the truth and the whole truth and act upon it at once. We do not agree on it among ourselves in parliament, but outside, in the main, we do. What is the matter? We could appoint non-partisan committees to find the truth; and we could hear the truth in secret

sessions if needs be; and then, if we unitedly insisted, suitable action could be taken and we could get results in this house, this year.

Among the problems that could and should be considered and dealt with, with satisfying thoroughness, the following might be listed: First, the treaty of peace. In the last war we fought right through, and no one seemed to have any idea what kind of peace we were to have. All we heard was that we were fighting to make the world safe for democracy and fighting a war to end wars; but just as we find to-day, not a person seemed to trouble himself about the question, how are we to do it? No one seems ever to trouble now about that question,—how is it to be done?

We should know what Canada's war aims are. I challenge any hon. member to rise in his place or to tell me outside that he knows what Canada's war aims are. Is that not a sad state of affairs? Then we should know what the various proposals are that are made in secret dispatches. Unquestionably it has been mentioned that certain proposals have been made. Why should we not know what they are? We are the members of parliament elected by the sovereign people of Canada in a democratic election. What an insult to our intelligence that we are forbidden to know these things! We should know them and should know exactly the difficulties in the way.

The hon. member for Rosetown-Biggar did the country a service yesterday when he exposed this aluminum company and gave the details. No matter whether there is anything wrong that cannot be righted; he gave us the truth and we ought to know the truth. We ought to know what the truth is in regard to all these things—such truths as the following one, for instance, which has astonished me! Somebody from Canada went around in 1937 and committed Canada to the undertaking that she would not increase her sugar beet acreage, that she would not do anything to increase it. No one in this parliament knew about that. That man made an agreement which has injured the people of this country incalculably during this war. Who was he and who told him he could go and do it, and why was it that this country, which never heard about it, was bound by the agreement? And there must be many other agreements similar to that. This house should know them, every one of them.

We ought to know what is involved in the united nations' idea. Listen to the words as they are pronounced over the radio—united nations. Well, now, what is involved in these united nations? We ought to know in detail so that everyone might understand. What are the proposals of these men who are working behind the scenes? How was it that at the Hot Springs conference Roosevelt tethered the press a safe distance from the conference? How was it that Morgenthau was so much annoyed when it leaked out in London that he had an international currency stabilization programme? Why was that? Am I to be told that the members of this house, in this responsible position, in this great country of ours with all its future before it, are not entitled to know these things? Have we lost the independence and courage of our fathers, that independence and courage which made magna charta a possibility? Are we afraid to be worthy to hold the positions we now occupy? We ought to know what is involved in this food conference. Every once in a while, through some speech made in some room in the Chateau Laurier or some assembly room of the House of Commons, some little thing leaks out that indicates that a good many things are contemplated with which members of this house do not agree, and yet it is all done in the dark somewhere, with the press tethered away —the press and parliament tethered. It is not in the public interest that we should know! We are immature, a species of glorified moron, I presume!

Mr. BENCE: Not glorified.

Mr. BLACKMORE: Not even glorified. We ought to know what is involved in the Atlantic charter. There has been talk, profuse talk about the Atlantic charter—how we are to guarantee freedom from want and freedom from fear—with never a word about how it is to be done, who is to pay the cost of it, where the money is to come from. Never a word. I submit, Mr. Chairman, that is a most singular state of affairs. I want to know whether the members of this house, particularly in the Liberal party, intend to submit to that kind of thing. I wonder if they are sufficiently docile lambs to take that all the time lying down, all of them.

Mr. HANSELL: I think they are.

Mr. BLACKMORE: We ought to know what share Canada is to contribute to this guarantee of freedom from want. Are we to have a mutual aid bill perpetuated through the years? If we are, how big will it be; will it be a billion dollars or two billion dollars, or will it be more; what do we intend to supply through that mutual aid bill, and how is it to be financed? I am surprised that I have never

seen that question asked and answered in the press of our land; that is something which astonishes me. Canada certainly ought to know what her share in this glorious enterprise is to be; if she is to participate. Are we to have a lease-lend for Canada? Is the United States to be able to perpetuate the lease-lend arrangement for twenty, thirty or forty years; is her lease-lend arrangement to depend upon the particular administration that happens to be in power, so that if by chance everything should be operating nicely under President Roosevelt and he should be eliminated from the scene in time, the lease-lend arrangement will be cancelled, and the people who thought they were guaranteed against want will find themselves at loose ends, as they were before the present war? Is that to be the arrangement; and, if so, are we, as members of this house, to submit to anything as insecure as that? Yet I do not see any evidence that we are to learn the truth about it; I say we ought to learn the truth before we leave this house.

The other day I read a statement by President Roosevelt, and I have read two or three similar statements, to the effect that the first thing to be done is for each nation to set its own house in order. With that I completely agree. Surely we ought to set our own house in order, but we cannot do that unless we have certain powers. We must have unchallengeable control of our currency and credit, of our production and of our price structure; we must have complete control of our own markets within our own country. If we cannot have these powers we cannot set our house in order. Yet practically all the supranational government schemes propose to take away from us each and every one of those powers, in greater or less degree, so far as I have read accounts of them. Every single hon. member should understand that fully. We could use the empire parliamentary association. Far be it from me to cast any reflection upon the empire parliamentary association, but I must say that I have been deeply disappointed in the amount of real learning we have obtained from that association. I do not see why we should not bring it really to life. I do not see why we should not arrange study clubs in which we might hear the truth from all sides, instead of having a lecture by some—I was going to say "emaciated"—relic of the League of Nations, who comes and tells us his idea and goes his way, making place for someone else to come along and tell us the same thing at another time. I am becoming entirely fed up when I think that all the speeches over the radio, all the speeches in these clubs and that sort of thing are along the same line, and all strangely resemble the propaganda which Sir William Beveridge apparently was sent or brought to this country to carry on. I am suspicious in the highest degree. I would say that not only should we learn through the empire parliamentary association or through some other dependable means, but we should be able to take our knowledge to the remotest parts of Canada, to every constituency, so that the people may share it.

I think it is time this house faced up squarely to the problem of what we intend to do about our national debt after this war is over. I have gathered the impression that hon. members just look upon this as a very touchy question and steer clear of it as something they would rather not face. Are we not aware that the boys and girls who are now fighting our war and who will sit in this chamber twenty years from now will have to face this problem, that they will not be able to leave it alone? What sort of people are we, who are supposed to be taking care of their interests, when we are so neglectful of this vital matter?

It is also time we know what we intend to do about the unemployment situation after this war. I read the other day that it was estimated by rather responsible men in the United States that shortly after the conclusion of the war there would be twenty million unemployed in that country. If the number of unemployed in Canada is in relation to that figure, is it not high time every member of this house was exercising himself with the deepest concern in regard to this matter? How are we to handle our tax structure? I am positively alarmed when I talk with people who are in the grip of the tyrannical tax structure which has been imposed upon the people of this country; it is merciless, implacable, immovable, inescapable, crushing, devastating, disheartening; it is a horrible thing, but there is no evidence whatever that it will be relaxed in any degree at all after this war is over. Yet we members sit here supinely doing nothing about it, only piling up the debt so that the structure may bear upon the people with even greater severity.

Another important matter that must be considered in connection with this debate, and one which I thought of raising several times, is the question of what we shall do with our armed forces after the war is over. As the minister for naval services was talking about his superb navy, the thought ran through my mind: Are we to have that superb navy after the war, and is everyone in Canada to be taught that it is necessary? Will parliament cheerfully vote the supply, year after year, to support that navy, or shall we have people here like those bewildered creatures who sat

here in 1937 and moved that every estimate be reduced to $1, who kept up their propaganda until they fooled the people of Canada into believing that we did not need any defences? That is important to know, whether we are to have a strong navy, a strong army and a strong air force after the war, because if we are to have a strong navy and army we will build for permanence. Not only will we construct the buildings; we will build the concept in the minds of the people, so that they will know, and they will be careful not to send to this parliament people who do not know that we must have a good strong army, navy and air force to be able to defend ourselves. Are we to have strong defence forces, or are they to fall into decay?

Then let us go on and ask ourselves this question not only with respect to Canada but with respect to the British commonwealth. During the period following the Napoleonic wars until the outbreak of the first great war the world witnessed one of the most peaceful eras in its history. There may have been many small wars, but there was nothing like the conflagration that burst out at the beginning and at the end of that century. Why was that? Those who are fairly well informed tell me that there was established what is know as the pax Britannica, the British peace, because the British people were strong enough to maintain peace. Are we now prepared to build up a British commonwealth organization, a cooperative arrangement, as a result of which we can have once more something similar to a pax Britannica? That is something that has worked successfully already. We ought to know about this possibility, but as a whole we do not know a thing about it. We have not done any constructive thinking or talking on it in this house.

Then the matter of social security ought to be taken care of by this house. We have heard the Beveridge scheme. By the confession of Sir William Beveridge himself, if I gathered it aright, his scheme is impossible and useless unless two things are guaranteed: first, full employment; second, a stable and equitable price structure. If we could guarantee employment and a stable and equitable price structure in Canada we would need no Beveridge plan. The big problem facing this house and this country is how to establish complete employment and a stable and equitable price structure throughout the country. That was the problem facing the Progressive Conservatives when they met. Strange that so many people overlook these things! Strange that so many of these newspapers which watch with almost malignant scrutiny the words of members of this house, in order to pounce upon them and write offensive editorials about them, have not noticed the discrepancy in the Beveridge report, and commented upon it! Never a word! Is there a mutual agreement to leave these things alone?

Another matter which ought to be taken up before the house continues its deliberations for another week is that of the sufferers who are at present enduring hardships that are a disgrace to the country. I have already referred to the old age pensioners. Let me now refer to the war veterans of the last war, and the widows of war veterans. They are now growing old and are rapidly diminishing in number, but they still suffer cruelly, while the representatives they have sent to Ottawa somehow or another seem to forget them—seem to forget everything, except to talk.

Perhaps the most imminent danger which confronts us at the present time is the idea of supranational government, to which I have already referred. Its advocates and their disciples always urge that supra-national government will prevent war, but they never show how it will be done. I say supranational government may try to prevent war, but it will render universal rebellion inevitable—rebellion with civil strife and bloodshed and famine over the fair stretches of Canada and the United States.

Every scheme of supranational government I have read about—and I have read all I could get my hands on—embodies international control of credit and currency. There is much talk about the control of production, the lowering of tariff barriers and other restrictions to trade. Somehow or another the men who talk about world problems do not take the trouble to point out why tariff restrictions are erected by weak nations, and why they impose exchange control. These men rarely explain that nations imposing trade restrictions do so in an endeavour to improve their economy, because they fall behind in the contest for trade, and therefore have an adverse trade balance. And of course the advocates of supranational government never talk about the existence of such a cause. They never mention the remedy except in most general terms—beautiful, high-sounding words, which somehow or another seem to mesmerize many people.

Supranational government can be avoided with all its dangers. May I read a statement which hon. members will find in the Ottawa *Citizen* of January 11, 1943, on the back page under the heading "Plan For Permanent Peace." This is a criticism of a book by

Doctor Hans Heymann. Strange how so many of these German names get into the books having to do with this supranational plan. It is an astonishing thing; I cannot quite understand it. It reminds me very much of those international financiers. The article quoted from the London *Chamber of Commerce Journal* explains that the idea conveyed by the whole book is of a world bank. "But Doctor Heymann is a financial expert and all his ideas on post-war reconstruction find their inevitable culmination in a 'huge new international banking mechanism'—a world bank to create money and credit." . . . "While nations may agree to some limitation of their sovereignty in respect of their external affairs, any proposal which involves interference with—much less control of—their internal affairs, as Doctor Heymann's scheme does, would mean the abandonment of the most important of President Roosevelt's four freedoms, freedom from fear. Currency and credit are the master keys to the economic and social life of any community, and for a nation to be asked to hand those keys to a clique of international bankers is calculated to strike terror into the hearts of millions who are facing death to preserve their right to manage their own affairs."

The CHAIRMAN: The hon. member has spoken forty minutes.

Mr. BLACKMORE: I shall take another occasion to finish my speech, in case hon. members do not wish to hear the rest of it now.

Mr. NOSEWORTHY: I was surprised this afternoon at the complacency and confidence with which the minister came to the defence of the aluminum interests, and the complacency with which he passed over the suggestion that the situation warranted an investigation of some kind. I was surprised furthermore yesterday by the readiness of the Minister of Mines and Resources (Mr. Crerar) to admit the inability of the government to deal with this international cartel.

Hon. members who spoke on this subject yesterday dealt with the international side of aluminum development, and the monopolistic control which had been effected in the development of aluminum. There is another monopoly which to my mind is far more serious to the people of Canada than that affecting aluminum. I refer to the monopoly of electric power which this great company has attained in Canada. I am confident there is not an hon. member in the house, regardless of his political affiliations, regardless of what he thinks of private ownership versus public ownership, who does not recognize the danger to public interests and the danger to industry in this country that lies in permitting any monopoly of our water power. That power is the very lifeblood of industry, and any monopolistic enterprise which can gain control of the right to develop power from the water that flows in our rivers has gained a stranglehold on the very industry of our country.

I doubt that there is an hon. member who is not convinced that any monopoly by any privately-owned company of the sole right to develop power from our rivers, and to distribute that power, is inimical to the public interests of our country.

In his speech yesterday the minister said:

It has been suggested that this development—

He was speaking of Shipshaw.

—was carried out to block the St. Lawrence development. Let me remind hon. members that Canada is committed to the St. Lawrence development; that it has agreed with the United States to proceed with that development, and the St. Lawrence development was blocked not in Canada but in the United States.

I am not as confident as the minister of the truth of the statement that the St. Lawrence development was blocked not in Canada but in the United States. I want to show to the committee this afternoon that the recent development of Shipshaw marks the successful culmination of a long series of attempts on the part of the aluminum interests to perfect an international pool of power which would not only keep competing aluminum companies out of the field, but would render the state of New York and the provinces of Ontario and Quebec almost entirely dependent on power from their development in Quebec, for their supply of the very lifeblood of modern civilization.

This battle for power control and for the establishment of an international pool of power has been carried on for more than twenty years by lobbying, by litigation, by the organization of holding companies and trusts, and by every means that such a powerful corporation could use. For more than twenty years the aluminum interests have sought, first, to get control of the St. Lawrence water project; second, failing that, to obstruct its development as a publicly-owned enterprise and, third, to carry out in the meantime a policy of encirclement, whereby it could get control of all other available power and thereby preempt the power market. By successfully obstructing the development of the St. Lawrence project the aluminum interests have rendered it necessary for New York state, the province of Ontario and the province of Quebec to enter into contracts with private companies, practically every one of

which is tied up directly or indirectly with the aluminum interests. In this connection let me quote the periodical *PM* of May 23, 1943. An article, dated Washington, reads:

The Shipshaw power project on the Saguenay river in Quebec was envisioned by Aluminum Company of America (Alcoa) as far back as 1925 as a means of preventing public development of the St. Lawrence.

Documents and testimony on file in the federal district court here in the government's anti-trust suit against Alcoa disclose that:

Alcoa bought the Saguenay river power sites, including Shipshaw, from the Duke-Price interests in 1925 and 1926, after it learned that they had planned to use this power to manufacture aluminum in Quebec in competition with Alcoa.

So anxious was Alcoa to prevent this that it paid $40,000,000 for these power sites, then largely undeveloped. The province of Quebec had sold these sites a quarter century earlier for $40,000.

On the eve of the purchase in 1925, Arthur V. Davis, chairman and directing genius of Alcoa, sent Alcoa's chief hydraulic engineer, James W. Rickey, to make a survey of the Saguenay properties.

Rickey at that time outlined the possibilities of the Shipshaw power development, a second "Boulder Dam," construction of which has now been financed for Alcoa by the American, Canadian, British and Australian governments.

Alcoa's chief engineer saw Shipshaw's huge power possibilities as a means of so "encircling" the St. Lawrence project that it could be developed only on Alcoa's terms or by Alcoa.

The plan was to use Shipshaw power to "sew up" these areas in which St. Lawrence power would have to be sold: Montreal, Ontario, upstate New York.

It was hoped thereby not only to prevent public development of the St. Lawrence, by preempting the markets for its power, but also to block further public power projects by Ontario's great publicly owned hydro electric.

In pursuance of this grand strategy, Alcoa in July, 1925, acquired the Chute à Caron and Shipshaw sites; and in May, 1926, the rest of the Saguenay power sites and properties.

Conferences looking toward disposal of this power, when developed, were held by Leighton G. McCarthy, then Alcoa's Canadian counsel now Canada's minister to Washington, with two key Canadian figures.

Mr. HOWE: On a point of order, may I ask my hon. friend what he is reading from?

Mr. NOSEWORTHY: I said I was reading from *PM* of Sunday, May 23.

Mr. HOWE: Is it an editorial?

Mr. NOSEWORTHY: It is an article by I. F. Stone, dated Washington.

Mr. HOWE: Mr. Chairman, is that in order?

The CHAIRMAN: I believe in committee of the whole it is permissible to quote articles.

Mr. HOWE: I do not wish to argue with the Chairman on the point of order, but I think it is out of order to read an editorial bearing on the debate.

Mr. COLDWELL: Mr. Chairman, I realize that you have given your ruling, but may I say to the Minister of Munitions and Supply that it is only editorial comment on the activities of the government or of a member of the house that is against the rules of the house. The hon. member is simply reading an article from a newspaper, not an editorial, which does not reflect upon the House of Commons or upon any member thereof.

Mr. NOSEWORTHY: The article continues:

One was Mackenzie King, then Prime Minister, as he now is again, and Sir Adam Beck, then head of Ontario hydro electric.

Mr. CHEVRIER: Mr. Chairman, on the point of order, citation 183 reads:

When a complaint is made of a newspaper, the newspaper itself must be produced, in order that the paragraphs complained of may be read.

As I understand it, the hon. member is reading from an article with appeared in *PM*. I believe he is reading the whole article, which appears to me to be objectionable. As the leader of the Cooperative Commonwealth Federation has said, he can read passages of an editorial and comment upon them, but I submit with deference that he cannot do what he is doing now.

Mr. COLDWELL: He has the paper there.

Mr. NOSEWORTHY: I have the paper. I am reading only selected passages which have a bearing on the point I am attempting to make.

The CHAIRMAN: I have no doubt that in committee of the whole an hon. member has the right to quote an editorial, even in toto, as long as he gives the source of his information and makes the statement upon his responsibility as a member of the house.

Mr. MacINNIS: The point raised by the hon. member for Stormont (Mr. Chevrier) has no relevancy at all. A newspaper is not being complained of. The hon. member for York South (Mr. Noseworthy) is merely reading from a paper, after having identified it.

Mr. NOSEWORTHY: The article continues:

The basic strategy for these moves is outlined in a ten-page letter and report which Rickey sent on February 25, 1925, to Arthur V. Davis, then vacationing in Palm Beach.

"If this scheme could be put through," Rickey reported to his chief, "decision regarding the St. Lawrence development is of secondary importance, but when agreement is finally reached we would occupy a very strong and strategic position."

The very nature of the St. Lawrence power and waterway project lends itself to the purposes which the aluminum company have set

out to achieve. The project requires the ratification of agreements in which five governments are involved. For twenty years the company has been able to provide obstructions to the project by working through one or more of these governments and committees or boards set up to work out the agreements. Let us review a few of the high lights of the tactics they have used to achieve their full purpose of securing, first, control of St. Lawrence power; second, the obstruction of the development of St. Lawrence power by government and, third, the gaining of control of other available sources of power. I shall not weary the committee with the long and involved story of how since the beginning of this century the aluminum interests have persistently and successfully gained control of the production and distribution of electric power in the Niagara and St. Lawrence areas or the details of the story of their obstructing the development of power by public ownership. I shall touch on only a few of the high lights.

The company later known as the Aluminum Company of America was first organized in the state of Pennsylvania in 1889. Its name was changed in 1907 to the Aluminum Company of America. In that year it set up a holding company, in which it held 100 per cent of the capital stock, for the purpose of securing power sites. It became interested in the Niagara power when that power was first converted from hydraulic power to hydro-electric at the turn of the century. It then entered into an agreement with the Niagara Falls Power company by which it attached its own generators to the company's plant and by which that company agreed not to sell power to any other company producing aluminum. It has from that time to this been the largest purchaser of power from the Niagara Falls Power company.

Let me give one little incident. That company, so closely associated with aluminum has fought through the courts of the United States for years to get authority to divert the entire United States share of power at Niagara Falls. It has carried on litigation over the years to secure that diversion and was only finally stopped by judgment given in the United States court of appeals on December 2, 1942.

At the time the company's name was changed to the Aluminum Company of America back in 1907, it organized a company known as the Long Sault Development company—again a company entirely owned by Aluminum—for the purpose of damming the St. Lawrence at the Long Sault rapids. It got so far as to get legislation through the New York legislature, and then applied in 1907, and in 1909, 1911, and 1912 to get legislation through the congress of the United States. Canada was drawn into the picture, and the matter came several times before the Canadian government and the International Joint Commission. In all the discussions there were three men who were prominent, and whose names have been prominent right down through the years in connection with Aluminum's control of water power. They were: Leighton McCarthy, K.C., counsel at that time for the Long Sault Development company and the St. Lawrence Power company; T. W. Rickey, engineer for the Aluminum Company of America; and Arthur V. Davis, president of Aluminum. That enterprise, that attempt to dam the St. Lawrence, was only blocked after years of litigation when the United States court of appeals in 1913 supported the repeal of the 1907 legislation. I should just like to read what Governor Alfred Smith of New York State had to say when speaking on this subject on February 1, 1926, as reported in the fifth annual report of the Power Authority of the State of New York for the year ended December 31, 1935. Governor Smith said:

> The two great sources of hydro-electric energy are at Niagara falls and on the St. Lawrence river. Corporations eager to get control of these water powers have been working on the project for years. As far back as 1907, by special charter, the right to develop the St. Lawrence river was granted to the Long Sault Development Company, which special charter was repealed by the legislature of 1913. In no way discouraged during all the years that have passed, private corporations still have their eye on the great power possibilities of the St. Lawrence river. . . . If both of these sources of supply fall into the hands of private companies, the possibility for future state development will be lost forever.

Arthur V. White, reporting to the Canadian Commission of Conservation in 1913, had this to say at page 13 of his report:

> Back of the activities to secure control of all the water-power development, power transmission and other rights and privileges at, and in the vicinity of, the Long Sault rapids is the Aluminum Company of America, commonly known as the Aluminum Trust. Connected with the Aluminum company is the St. Lawrence Securities Company, a holding company through which provision was made for an issue of $1,550,000 of stock to provide funds:
>
> "for the actual cost of improvements of the canal and other property of the St. Lawrence River Power Company, or the development of any water rights along the Little Sault owned or controlled."
>
> The St. Lawrence Securities Company—

That was a holding company for Aluminum, and in which Aluminum held 100 per cent of the stock.

The St. Lawrence Securities Company holds securities in the following United States companies:

St. Lawrence County Electric and Water Company
The St. Lawrence Water Company
The Massena Electric Light and Power Company
The St. Lawrence Transmission Company
The St. Lawrence River Power Company, and
The Long Sault Development Company.

Upon the Canadian side of the river the Aluminum Company of America and the St. Lawrence River Power Company (of New York state), either directly or indirectly, control the St. Lawrence Power Company and the St. Lawrence Power Transmission Company. The Stormont Electric Light and Power Company—the distributing agent for the St. Lawrence Power Company—and the Cornwall Street Railway, Light and Power Company, are both controlled by the Sun Life Assurance Company of Montreal.

In the year 1920 the Ontario hydro electric commission became vitally interested in developing St. Lawrence power.

Mr. MacNICOL: I had hoped that my hon. friend would refer to the fact that the International Joint Commission had during the last war granted the Aluminum company the right to erect a barrier across the river, and they have never been able to get them to remove that barrier since that time.

Mr. NOSEWORTHY: Thank you. The Ontario Hydro Electric Commission became very much interested in 1920 in developing St. Lawrence power. Sir Adam Beck realized at that time that if Ontario's needs for power were to be met by publicly-owned plants it would be necessary to begin the development of the St. Lawrence power project before the Niagara power project was operated to its capacity. In 1921 the Ontario hydro electric commission submitted to the International Joint Commission an elaborate statement and an engineering report respecting the proposal to develop the St. Lawrence waterways. At the time the commission went on record as being in favour of proceeding with the development of the international section of the river first. That policy is in strange contrast with the policy adopted by the Ontario hydro electric commission some years later, after the Aluminum company had done their lobbying, as I shall show later in this speech.

Following this application in 1921, the Ontario hydro electric commission formally applied to the Canadian government for approval of its plans for the initial step in a two-stage development of the international section of the St. Lawrence river. Before making this formal request, in July, 1924, a delegation from more than 350 Ontario municipalities requested the dominion government for early approval of the commission's plans. Unfortunately for the publicly-owned hydro system of Ontario, the aluminum interests at that time, in 1921 and 1922, had very influential friends at court in New York state. The governor of the day and the legislature of New York at the time were much more favourably inclined to private enterprise than to a publicly-owned enterprise. Legislation was granted permitting the Aluminum company and other companies to lease state-owned power sites for a long period of years, and between 1921 and 1926 application was made for twenty-two of those leases. A company owned outright by the Aluminum company was just on the point of getting its lease when Governor Alfred Smith was elected on the platform of a publicly-owned St. Lawrence system and was able to veto the lease which was just about to be issued to the Aluminum company's subsidiary. At the same time, in 1921, the Aluminum company joined forces with the General Electric Company and the du Pont interests, and they organized what was known as the Frontier Corporation. The Aluminum company maintained a controlling interest in that corporation. That corporation controlled all the privately-owned rights to power on the United States side of the St. Lawrence together with subsidiaries on the Canadian side at Niagara and Cornwall. I can give the committee the purpose of that corporation as it was given at an investigation held by order of the United States senate and reported in their document No. 72:

The Frontier Corporation was organized for the purpose of acquiring from Aluminum Co. of America, E. I. du Pont de Nemours & Co., and General Electric Co. certain lands, water rights, water privileges, and flowage rights on the St. Lawrence river in the towns of Massena, Louisville, and Waddington, N.Y.

It also acquired certain maps, surveys, and engineering data concerning the development of hydro-electric power along the St. Lawrence river.

It also acquired all of the issued outstanding capital stock of St. Lawrence Power Company, Ltd., an operating utility in Canada. It also acquired all of the authorizations to dam the St. Lawrence river, which might be granted to the Louisville Power Corporation or St. Lawrence Transmission Co., that company now being called the St. Lawrence Valley Power Corporation.

I have already indicated that the Aluminum company controlled the Frontier Corporation. That corporation was particularly interested in watching every move made by the Ontario hydro electric commission. This interest is evidenced by the activities of the corporation's legal counsel in Canada, Mr. Leighton McCarthy, throughout the years 1922 to 1926. During an inquiry which was held before the

Federal Trade Commission at Washington in 1934 there was presented to that commission certain accounts rendered by Mr. McCarthy to the Frontier Corporation. These were presented as exhibits. They were his accounts for his services performed in the interests of the corporation in Canada. They show clearly the Aluminum company's interest in Ontario hydro.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. NOSEWORTHY: When the committee rose at six o'clock, I was at the point of putting on the record a number of accounts rendered by Leighton McCarthy, K.C. to the Frontier corporation as evidence of that corporation's interest in Ontario hydro.

The first of these accounts covers the period from October, 1921 to May 31, 1922, and is itemized as follows:

Fee to Mr. Leighton McCarthy, K.C., generally representing interests of corporation in Canada (including attendance before the International Joint Commission, interview with members of Canadian government and senate and Sir Adam Beck and reporting thereon. . . .

And further on:

Procuring statutes and regulations re water power and water privileges, forwarding same to Mr. Rickey, perusing and considering special report from Mr. Rickey regarding the meeting of International Joint Commission at Washington, preparing special report on the Canadian situation before the formation of Frontier Corporation.

The second covers the period from June 1, 1922 to May 31, 1923, and is itemized as follows:

Fee to Mr. Leighton McCarthy, K.C., generally representing interests of corporation in Canada, including special interviews with members of Canadian government, Senate, House of Commons, Sir Adam Beck, and reporting thereon. . . .

Mr. HOWE: Mr. Chairman, I suggest to you that this discussion is entirely out of order. The item under consideration is additions and extensions to plants, and not one dollar of the item has anything to do with the Aluminum Company of Canada. We never paid for extension of plant of the Aluminum Company of Canada. We simply had nothing to do with water powers, either the St. Lawrence or any other. So far as this item is concerned, we have paid not a dollar in assistance in the building of water-power developments. I ask you, Mr. Chairman, if this discussion is relevant to the item?

[Mr. Noseworthy.]

Mr. KNOWLES: On the point of order may I remind you, Mr. Chairman, that when the Minister of Munitions and Supply introduced this matter on Friday, in the very able review which he gave, he made reference to the expansion of the aluminum facilities and referred to it as the largest that he had, and he also made reference to the enlargement of water-power facilities at Shipshaw. In view of his reference to these two phases of industrial development, I submit that this discussion is in order.

The CHAIRMAN: It can readily be understood that sometimes, in the consideration of estimates of this kind, where such large amounts are involved, it is almost impossible for members to confine themselves strictly to a particular item. I must take the same view, with regard to this item, that I took with reference to item 1, in the estimates respectively of the army, the navy and the air force, and I think the committee will agree with me that when the discussion of this first item is concluded hon. members should remain within the limits of the item that happens to be under discussion at the time.

Mr. NOSEWORTHY: The third account covers the period from June 1, 1923, to May 31, 1924. Among other items is this:

Fee in Montreal on January 20 and 21 and conference with Messrs. Bishop, Keefer, Rickey, et cetera, fee on interviews with the Honourable Mr. Mackenzie King and members of his government discussing, fee on interviews with members of government of province of Ontario, fee on special interviews with Mr. Gaby, discussing, visit of representatives of municipalities to Ottawa.

The fourth period is from January 1, 1924, to May 31, 1925.

Mr. HOWE: Mr. Chairman, I feel I must challenge your ruling on that point. The hon. member is discussing the Ontario Hydro Electric Commission and accounts rendered by the firm of McCarthy and McCarthy in connection therewith. I suggest that this is so remote from the item before us that I must challenge your ruling.

Mr. NICHOLSON: Mr. Chairman, you have given your ruling in this matter. You ruled that the hon. member for York South was in order and that ruling settles it.

Mr. HOWE: I appeal from your ruling, Mr. Chairman.

Mr. CHEVRIER: May I say a word in connection with this. We have been adhering, as I understand it, to standing order 58, with which the Chair is quite familiar. It states that speeches in committee of the whole must

be strictly relevant to the item or clause under discussion. This has not been a discussion of extension to aluminum plants, but has been a discussion of the history of aluminum, the history of the St. Lawrence waterways, in so far as aluminum may or may not be concerned, and it is entirely out of order under that standing order.

Mr. NOSEWORTHY: Speaking on the point of order, at the beginning of my speech I referred to the statement made by the minister yesterday and intimated that I intended to show that the minister was speaking without full knowledge of the subject.

The CHAIRMAN: On the point of order, if I understood correctly, it was agreed that a general discussion would be allowed on the first item of each of the three departments with which we have already dealt, and I think the same latitude should be allowed under this item. If, however, hon. members attempt to discuss irrelevant matters on other items we shall have nothing but confusion. In considering the estimates of the departments already dealt with, constructive and general criticism was allowed at the beginning, and perhaps the committee would find it convenient to follow that practice under this item. I am sure, however, that no member of the committee would like this discussion to continue indefinitely, and most speakers this afternoon and yesterday would have been out of order on item 1, if the rule were strictly applied. The committee seemed satisfied to allow the discussion to be fairly general on the first item, but again I would ask that the debate be confined to the item before us. I would ask the committee to be tolerant for a little while longer on account of the freedom given to previous speakers in dealing with the Department of Munitions and Supply.

Mr. HOWE: Do you put a time limit on your tolerance, Mr. Chairman?

Mr. NOSEWORTHY: Continuing this same item—

Mr. DONNELLY: I should like to know what the hon. member is reading from.

Mr. NOSEWORTHY: I am reading from evidence submitted to the chairman of the federal trade commission, in an investigation of Niagara-Hudson Power Corporation, and aluminum, paper No. 72, presented to the United States senate.

The CHAIRMAN: The hon. gentleman has now spoken for over forty minutes.

Mr. NOSEWORTHY: Taking into consideration the interruptions, Mr. Chairman?

The CHAIRMAN: I have made allowance for the interruptions. The hon. gentleman was supposed to have until five minutes after eight, and I allowed him to continue until thirteen minutes after eight.

Mr. CHURCH: I wish to take only a few moments, because I have very little except constructive criticism to offer. I do wish, however, after having consulted the Speaker and the Clerk, to direct attention to statements made in an article appearing in the weekly newspaper known as the Montreal *Standard* last Sunday by one Austin Cross, headed "Conservative Slam at the Navy Seen as an Obstacle." I believe this is the same gentleman who wrote a book attacking the present Minister of Munitions and Supply and almost every other member of the cabinet, notwithstanding the fact that there is a war on. I was surprised to find this book in the library, in view of the statements it contains about members of the cabinet and of parliament. I have no quarrel whatever with the newspapers; as I said during the transportation fight in 1920 and 1921, you can never answer a newspaper because it always has the last word.

I did not raise this question on a motion to go into supply because that would prevent the minister from going on with his work, and personally I should like to see the house close by the end of the month, but I am only a private member. Any time I have spoken it has been at the request of the whip, though in addition I have asked a few questions. Of the matters I have brought up in the house, ninety-five per cent have been in an endeavour to secure better care, comfort and treatment for the members of his majesty's forces in this country. This article to which I have referred is grossly libelous, false, and malicious, and not for the public benefit. I have never criticized his majesty's forces at any time. Why should I criticize them? I have been working with them all my life, and I have a great number of friends in the army, navy and air force in both wars. As chairman of the Toronto harbour board I was a friend of the masters and mates' association on the great lakes when the working people on those boats and the merchant marine had far fewer friends than they have to-day. I object to this sort of scurrilous criticism, which is not criticism at all. This reporter gives a garbled account and no report at all of what happened in this chamber. Fair reports of the proceedings here are privileged, and rightly so; they may criticize members of parliament as they wish, but cannot libel them. This was an unprovoked attack on me. I complain that the report of what I said was garbled, that this is not a fair report and no report at all, and that it has

caused me a great deal of damage in that it has advertised me as public enemy No. 1 of the men who are serving with such courage on land, on sea and in the air, when I have served so faithfully our forces all these years.

Then in the Montreal *Star* of last Thursday the same columnist added insult to injury, when he said that the house witnessed the resumption of an exchange between myself and one of the ministers, and again accused me of attacking the navy. I said, "How could I attack the Canadian navy when in 1926 to 1928 there was no navy to attack?" I was referring to the peace-time strength of the navy, in 1926, and I was not the only one to criticize it. This very newspaper was one of the chief critics of the policy of the government of that day which was throwing away our defences, especially the navy to which we owe so much. I am not going to fire off a rifle to attack a mosquito, but I am not going to put up with this sort of thing any longer. I am a Conservative; I have never been anything else, but I was a progressive Conservative long before that name was adopted by my party. I told my leader why I could not go to Winnipeg, and he was satisfied with my reason. Since the beginning of the war we have had an honourable agreement among the parties of this house that the war is to be paramount and that politics should be put on the shelf for the duration. That is what I have been faithfully doing. I have not thought about being a Conservative; the issue is too sacred and grave for that, with our men overseas rewriting such a glorious history of courage. The matter is too serious for us to be fighting among ourselves like cats and dogs for pure party advantage. That is about all I have to say in this connection. Mr. Harold Ickes, one of the members of Mr. Roosevelt's administration has called columnists like this gentleman calumnists, and that is exactly what he is. He has double-crossed both parties; he is cross-eyed; he has double-crossed almost every minister on the front benches to-day; he has attacked the Prime Minister, the three ministers of defence, the Minister of Munitions and Supply, and others. I do not care anything about him, and I am sorry I have paid so much attention to him.

There are one or two matters I wish to bring before the committee, though not in any critical spirit because, as you know, since the war started I have given independent support to the government as long as we had a total war effort; but what is meant by a total war effort is something else again. I have been a consistent supporter of free enterprise in this country. The stand taken this afternoon by the leader of the opposition is all right. He stated that the Aluminum company is part of an international cartel, and that the government seems more or less helpless to do anything about world combinations of this kind. Then he went on to say that some international commission should be set up to deal with cartels and combines, so that the worker, the farmer and the small business man could be protected, and international rates and regulations established. That is all right as far as it goes; I have no objection to that policy, but I can say that I do not believe in all this international business. What was it Mr. Benes said here the other day: "I want to return to my own country." When the war is over there still will be independent nations, because patriotism is the cement that holds nations together. The people of the countries of Europe that have been overrun by the axis will want to return and rebuild their own countries. There will always be nations; there will always be international trade, and I do not believe there is much use in sending a lot of college professors to Washington to talk about international debts, international exchange and so on. There will always be nations as long as time lasts.

I have referred to these matters on previous occasions. I was one of the pioneers in the hydro-electric development of Ontario, with many of our late leaders in this province, Sir James Whitney and Sir Adam Beck. We were blackguarded up and down the province; we were called amateur anarchists by one of the newspapers, but we took all the private franchises out of the counties of York, Ontario and Peel, and eventually all over the province. This was a people's movement for cheap light and power for all the people, and the leaders were not all of one party. I know of three or four hon. gentlemen across the chamber who were heads of municipalities and who took a great deal of interest then in this movement. This war is altogether different from the last one. I have a great deal of sympathy with hon. members to my left in what they say in some respects about public ownership of light, power and transportation. But we have to consider Quebec's own constitution, and the decision of the privy council. The province gave its water power to private enterprise, and a few years ago what is known in the Saguenay river as the Shipshaw deal, and spent $35,000,000 in developing it. Already in a great many ways the government has taken the responsibility for this aluminum transaction as a war measure.

As I said on February 25, 1943, when speaking about private enterprise, I believe the first thing to do after the war is to encourage private initiative and free enterprise. True it

is, that this will have to be brought up to date. I believe that when the soldiers come home they will want the rights that men enjoyed in the days of Macdonald and Laurier, when everybody owned some property. It might be a cow; it might be a small mill or a country store, or a horse and waggon, but it was property of some kind. We have been slow to see that, with the right of acquiring private property denied to them, the people of Canada became proletarian. Their liberty passed away; it will have to be restored. I believe in private initiative. I believe that the right to possess private property is derived from nature and not from man, and that the state has no business to abolish it, but can only regulate its use.

Those are my views, and they are honest views. I believe that would be the view of the soldiers when they come home. In my opinion you can have all the planning you like, but neither victory nor any kind of planning will ever bring about the millennium. In a debate last January in the British House of Commons, Admiral Southby quoted the language of Strube, who has immortalized "The Little Man" who saved England in this war. He goes on to refer to the little man who saved England, saved them in the raids over London, and at Dieppe and at Dunkirk. "The little man" personifies the spirit of the mother country, the spirit of free enterprise and freedom of both retailers and wholesalers. The said little man who is the embodiment of British common sense and sanity to beat Hitler and Mussolini will be quite at home to defeat bureaucracy.

We have been slow in this House of Commons in not sooner opposing giving up our control over water power for war-time purposes. I do not blame the minister altogether for this particular stand he has taken. I have known him as long as anyone has known him. I knew him when he was a civil engineer. I have had a great deal of respect for him, because I know he was an expert in his business. When he came to this house he was not a politician.

We on this side of the house have forgotten that we have been politicians. The opposition has given the government splendid, independent war support, if for a total war. I am only one of the humble members of the opposition, but I have been here for a long time now and I have yet to change my views on this question. I believe that "the little man" who saved England, as Strube has said:

> We who in the ashes dwell
> Want no planned and ordered hell;
> Fight no war to be policed
> When the bombs and fires have ceased.
> Life's too precious far to give
> For any freedom but to live.

The mother country was built up on free enterprise. That is what made this empire. We came into being by the sea, and we cannot exist without the sea. Our first duty is to the mother country. I do not know about international agreements, because we were told by Mr. Churchill that we had made certain international agreements, and that Canada was a party to them. So was New Zealand, so was Australia, and so were other dominions. I do not know whether the government can tell us what those international agreements are, or what international settlements are to come.

I believe in the public ownership of the water powers of this country. It should be owned by the people, and developed for the benefit of the people in all the provinces joined together at confederation. When I first entered the house I asked for a national hydro-electric policy. We have in this country 42,000,000 horse-power in the aggregate. Of that amount only about 7,000,000 horse-power has been developed, part of it only seasonal. That water power belongs to the people. That is what the late Theodore Roosevelt believed in, and what the present President of the United States believed in, when he was governor of the state of New York.

The first duty of the yes-men in Germany is to find out what the fuehrer wants and then to make the planets dance to his desires. Yes-men are not all astrologers; it is a pity they are not. They would be better for it. They exist in all classes of society and in all communities, and their mark everywhere is the dread of freedom. These authoritarian governments—Germany, Italy and Japan—exist only by reason of yes-men and nodders. When a leader emerges he is acclaimed by them and he drives the country to ruin to their resounding cheers. No opposition is possible in the dictator-ridden countries. That is true, but the evolution of tyranny in Germany, Italy and Japan is possible only because of those who were ready to surrender to usurpation, and one fuehrer, duce, or what-not dictator. Saddled, they cannot be unseated without a general upset and by force and revolution. In Canada we can speak our minds.

There are one or two observations I should like to make about this particular deal. There has been no Gallup poll in connection with it. This Gallup poll is one of the most mischievous institutions this country ever had. We have evidence of it every day in the week. We did not have this Gallup poll in the days of our fight for cheap light and power in Ontario. This was copied from Al Smith of New York, who twenty years ago called a straw vote. Where is the censorship to-day, especially with the parliamentary association meeting here in Canada? Where is the censor

to-day, when this Gallup poll is on and we are allowing all this talk about forty-nine per cent being for the mother country and twenty-one per cent in favour of joining the United States. I say that is wrong. We did not have that poll in the days to which I refer.

While I do not altogether like this particular transaction, and a lot of things done in the name of war, I do not like surrendering any further power to our beloved allies of Russia and the United States. They say that we should forget all about the empire, and that we do not owe anything to the empire. In answer to that, I say that we are allied to two very powerful friends, two very powerful allies—Russia and the United States. They may not be imperial in the sense that they want more territory. That remains to be seen. But they are imperial in the sense that they want a larger share in the peace and as world powers and a better state of affairs when this war is over. And when it is over they will have something to say about the peace terms, and without our empire we will be lost.

I hope the minister will have due regard to this fact, that the surrender of our military and political initiative and of our resources to our friends in the United States is one of the vital mistakes we have made in this war, and brought about by the absolutely criminal defenceless position of this country when war came, because that is what it was. Not one party alone is to blame. All parties almost aided disarmament. We threw away our defences and our friends, with the result that when war broke out we had to start all over again. Let us remember that the United States need Great Britain the same as Great Britain needs the United States. It is not Great Britain's fight alone; it is America's fight as well. We are allies and friends. The people of the United States need us as much as we need them. We are allies, and we must see this thing through together.

I have been much displeased with some of what I have read of the record of the proceedings at Washington. These are the words of Lord Haig in the most critical days of the war of 1918, which is our motto now.

> The safety of our homes and the freedom of mankind depend on each one of us at this critical moment being of good cheer. The British empire will win in the end. People's thoughts on war should not be distracted by secondary matters to a total war.

I was going to ask the Minister of Munitions and Supply one or two matters about this particular transaction on the Saguenay river, and about the settlement of war contracts after the war. This is a very large country. One of the vital mistakes we made was that at the close of the last war hundreds of thousands of men and women who had been working in war work, and men who had been overseas were out of jobs. We should not make the same mistake this time.

This matter has been referred to in Washington, in an article in the March, 1943, issue of the *National City Bank Review*. It speaks of the dislocation of business and of working capital, and the cost of unemployment. Let us not forget the millions of workers in the munitions plants. In addition to them, there are those who are at war and who will come home. It goes on:

> For there is involved the question whether the industries will be able to take up peacetime work quickly after their war work is over, or whether their working capital will be frozen in war production and its release subject to interminable delays and litigation.
>
> This concerns a great many people. It concerns the possibly twenty million persons who will be working in the war industries, most of whom will need peace time jobs after war production is suspended. It concerns the millions in the armed forces who will be back looking for work after peace is restored. It concerns all who sell to the industries now producing war products, and all who will be looking for a market among their workers.
>
> The producers of automobiles, radios, farm machinery and consumers' durable goods generally, who have converted wholly or in large part to production of a different kind than they normally carry on, will be particularly affected.

Reference is made to the dislocation of business that will occur, especially in Canada where production to-day is ten times what it was in the last war. It is also suggested that there should be a standard form of contract regarding payment. It continues:

> Promulgation of such a code during the war would prevent confusion and avert friction after the war. Necessarily the code would be on general lines, for except as to the elements of cost there can be no one method of keeping books which can fit the character and provisions of all contracts or be equally acceptable to everyone concerned. Nevertheless, it would seem practicable to set forth principles which would make it feasible for the government to approve the method of bookkeeping that a contractor is following, or to tell him what method he should follow on a specific contract.

The hope is expressed that we shall not have a repetition of what happened after the last war, when it took years and years to settle up. It is proposed that there should be an immediate part payment made on account. I commend these suggestions to the minister. I am a public ownership man and I have never faltered in that belief. I do not know everything about this deal, but I think it is a bad one. I am sorry the people of Quebec did not long ago adopt the principles which I thought they would, of taking over the water powers of the province for the benefit of the people. I would refer hon. members to what happened

years ago in connection with the Beauharnois deal and the proposed give-away of all the water powers in the Ottawa valley in 1927, which I opposed. This happened, and the opposition opposed it and won in 1927, and it went on for many weeks.

I have a great deal of sympathy with what in some ways hon. gentlemen to the left say. I have always been a supporter of public ownership. The government of the day will have to take the responsibility for this contract as a war measure to defeat Hitler. The minister probably cannot give us all the information we should like to have about it and about the international agreements which have been made, no doubt, with our allies regarding this work, but we can all rejoice in the fact that although in Munitions and Supply we made a slow start, the work which has been done since the war got under way is commendable and is a splendid chapter on the whole. No doubt mistakes have been made. I remember about three years before the war, in 1937, I suggested that a national registry should be made of all wholesale and retail plants in the country to find out what each one could do. I was sure that war was coming. I suggested in 1938 that food reservoirs be set up in the old country and that there should be a survey of labour, a survey of water power, a survey of all large and small industrial plants and a survey of shipbuilding plants.

I hope before the minister finishes that he will have something to say about this fifty-mile limitation on bus travel by soldiers. The minister comes from a soldiering family and I do hope he will be able to make some change in this rule. When we took over the street railways in Toronto we had a clause inserted in the act which gave the city power to go into the operation of buses. This has proved a great help to the counties surrounding Toronto as well as the rest of Ontario. The people would not be able to get to the munitions plants if it were not for these buses. There should be some change in this rule, especially for the buses operating out of Camp Borden. Last Sunday we had a bad storm and many of these soldiers were dumped off at a town eleven miles from Barrie and had to walk in.

Some consideration should be given to the need for the extension of certain health and essential public utilities, such as sewers, water supply and that kind of thing; the necessary steel should be released. Something should also be done in connection with housing. I have seen some of the effects of bad housing in the city of Toronto, and I appeal to the minister to do something to relieve the people of the great burden they are carrying.

In conclusion, may I repeat a quotation from Lord Perry I gave before, as follows:

> The industrial revolution made it possible for any man to work his own way from poverty and illiteracy to a commanding position in both industry and the state. Richard Cobden is an outstanding example—the son of a Sussex farm labourer who became a great Lancashire manufacturer and a great statesman. William Cobbett is another example. In fact, industry and commerce during the nineteenth century produced such men not by the hundreds but by the thousands—careful, frugal men, hard of head and often hard of heart, but notable for two qualities above all others, diligence and self-reliance.
>
> These men were self trained into habits of clear commercial thinking, quick and bold decisions, personal responsibility and individual initiative. It was no easy school. Those who lacked the necessary application or the necessary drive had short shrift. The age was kindly only to those who satisfied its needs.

We do not want a repetition of what happened after the Napoleonic and other wars, as outlined in the "History of England," by T. H. Green, Lord Shaftsbury and other historians. We do not want similar conditions to occur in our cities and towns and on our farms. I commend the hon. gentlemen to my left for the part they have taken in this movement. It follows the many reforms which have been brought about in Ontario by the Conservatives with regard to cheap power. I have referred to some of these to-day and there are others. I have grave doubt whether the state has been adequately protected in this Shipshaw deal, but it has been recommended by the minister and by the government, and they will have to take the responsibility. No doubt some of the terms are improvident.

I had a similar experience in connection with the Chippawa deal in the last war when that great plant was a blessing to Canada. It was said at one time in the last war that Ontario was supplying one-half the munitions for the mother country and the allies, and this was possible only because we had cheap power. The water powers of this country should belong to the people. I have great sympathy with the minister who has recommended this particular transaction. I realize that when the deal was consummated there was a grave situation existing. It was predicted after the fall of France that the British empire was done.

I have spoken to-night because I have been attacked. Never on any occasion have I been anything but a friend of the men and women, and the dependents of the men and women who are serving in this war. Yet this attack has been made in this newspaper, and I am being advertised all over Canada as enemy No. 1 of the men in the services. I have

always fought their battles since I have been a member. I want hon. members to know that I have found this house to be a place of much kindness. I have known most of the members for many years and I know they have done splendid work. Some of the best men we have came up here through the municipalities, and when brickbats are thrown at members of parliament it is simply an effort to prevent us from doing our duties as members.

Mrs. NIELSEN: I believe it will be in order under this item to discuss the question of the moneys expended by the government or by the minister and his department in connection with the making of industrial alcohol. I know the minister has promised to make a statement on this question, but I should like to say a little about it and to ask a few questions before that statement is made.

Without doubt the people of western Canada are greatly concerned, and rightly so, about this matter, because they consider that not only have we during this present war emergency conducted our affairs in a way which has not been to our greatest advantage, but that in the spending of moneys for the production of industrial alcohol the future of western Canada has been neglected. From various bodies in western Canada resolutions have been coming in possibly to other western members as well as myself showing the amount of interest which the people of the west are displaying in this question. It is said by certain people that the making of industrial alcohol and synthetic rubber from our large surplus stocks of wheat is a much better way of producing synthetic rubber than from petroleum. I think, when the minister makes his statement, it should be a very full and comprehensive one. I think he should place before the committee the detailed figures that were submitted to him, and let us know from what sources these figures were obtained so that we might be satisfied as to the correctness of the decisions made in this matter. Of course the minister will readily understand that there are very few members of the house who are competent to speak on these technical matters. I certainly am not, and therefore in matters of this kind we are obliged to go to sources which we believe are informed.

Like many other western people, I have been reading a pamphlet recently written by one of our young Canadian scientists, a man from the city of Winnipeg, Mr. Dyson Carter, M.Sc., A.C.I.C., F.C.G.S., registered professional engineer and research consulting science correspondent. The pamphlet he has called, "So that Man may Prosper", and in this pamphlet he gives many facts and figures in substantiation of the claim that it would have been a better thing for Canada both in the war emergency and for the future if we had built distilleries and used our surplus stocks of wheat for the production of industrial alcohol and synthetic rubber. He makes the statement:

> To produce from petroleum the butadiene required to make 200,000 tons of Buna rubber per year requires equipment costing $650,000,000.

But, he says:

> To get butadiene from wheat is quite a different chemical problem, a far simpler one, requiring far less complicated equipment. This is summed up in the fact that to produce from wheat the butadiene required to make 200,000 tons of Buna rubber per year requires equipment costing only $30,000,000.

He also states that to assemble and build the plants, first of all the distilleries for processing the grain, would take roughly only about eight months, but that to build a plant and assemble machinery for the process which uses petroleum as a base takes at least eighteen months or a little longer. Therefore, from the point of view of the war emergency, his argument is that it would have been advisable for us to have built distilleries to use grain.

It is, I believe, a significant fact also that one of the united nations which has made a marvellous contribution in this war, a nation which has unlimited quantities of petroleum and could have used that as a base, if it were advantageous to do so, has nevertheless thought it necessary and expedient to use large quantities of grain for making industrial alcohol. That country, of course, is the Soviet Union. It is, I believe, a well-known fact that engineers and research men from the Soviet Union offered their services at one time to the United States government and offered to give all the information and help necessary to enable the United States to proceed with this process themselves. But the United States had as its advisers some dollar-a-year men who were connected with the great oil corporations and these men prevented the Russian research men from coming to the United States and giving their assistance.

It would be a good thing, I think, if the minister would give some indication whether we in this country were offered any help by any other country on this question and whether we appealed to any other country for suggestions and help when we knew that this process was being used elsewhere.

It is perhaps something which the general public does not know very well, but it should know, that these giant oil corporations in the United States which have subsidiaries in this country, Standard Oil particularly, were guilty

of the most treasonable act of which any corporation or group of men could have been guilty, in that in the year 1939 they sold secret processes which were theirs to the enemy. Of course, at that time the United States was not actually at war with Germany or Italy; nevertheless it must have been known that in the world-wide conflict which was beginning the United States would ultimately become involved, and the fact could not have been ignored by the controllers of these oil companies that they were betraying a trust which was very definitely in their hands in the interests of the people of the United States. The members of the house know only too well the name which is given to women who for various reasons are forced to sell their bodies, but we have not yet coined a term that is fit to be applied to corporations or groups that sell to the enemy secrets, things which are of value and benefit to the people of their own country, for the sake of acquiring personal power and prestige. "Traitors" is too mild a term to apply to them. To call them "financial prostitutes" would perhaps in some degree be giving them their proper title. The same oil corporations which sold the secrets to Germany and Italy refused to sell the same secrets to their own United States government until that government forced them to do so.

Possibly it is also known that it was only when the United States government set up the Baruch committee and the committee's findings were made known that the government of the United States realized to what a degree the dollar-a-year men who were responsible to the oil companies had been in control of the whole war production of that government.

In the pamphlet to which I have referred, Mr. Dyson Carter has outlined in some degree the findings of that Baruch report. He says on page 16 that the Baruch report "stressed that the new grain alcohol plants, and the factories for making the alcohol into butadiene, and the factories for making butadiene into synthetic rubber, should and must be built in the grain-growing areas, in the farm lands" (of the United States).

Some hon. members may say what does this matter so far as we are concerned? This matter is of importance to us on account of the similarity between the two nations, because of the similarity of our needs, the similarity of our sources of supply both of oil and of wheat.

One of our own Canadian correspondents, Chester Bloom, reported from Washington:

> Reading between the lines, it is apparent the Baruch committee agreed with congressional criticisms that the big oil companies were attempting to establish synthetic rubber monopolies after the war, by preventing production of synthetics from grain.

Mr. Carter goes on to outline under headings what he believes to be the final conclusions to which we are able to come. He says:

1. With all natural rubber sources seized by the Japs, the united nations had to start manufacturing synthetic rubber immediately, on a vast scale.

2. Butadiene will be the principal substance used in making this rubber.

3. Butadiene can be made from petroleum and grain.

4. The Russians who have unlimited petroleum, have for years been making high quality synthetic rubber with alcohol from farm crops, and not using petroleum.

5. Secretary of Agriculture Wickard has strongly recommended that America should make rubber on a large scale from farm crops.

6. The petroleum trust killed this recommendation, even though American-Canadian rubber plans were getting nowhere very quickly.

7. Mr. Thurman Arnold had made sensational exposures of how Standard Oil had given secret rubber processes to Germany, Italy and Japan, but refused to give the processes to United States companies.

8. Baruch revealed that the oil trust had planned to get a monopoly on synthetic rubber production.

9. Baruch recommended a colossal expansion of alcohol plants, and plants to make synthetic rubber from the alcohol, all these factories to be built in the grain-growing regions.

Finally, the United States is now putting the Baruch report into practice.

In the same way, Mr. Chairman, I would suggest that we in this country must understand more thoroughly than we do at present why our own government has proceeded along the lines which it has followed. At the present time we are using precious supplies of oil as the base for the making of synthetic rubber, while on the prairies there lie millions of bushels of wheat, and because our farmers are not able to dispose of their wheat they, in many instances, lack the cash which is necessary for them to carry on their farming operations, and to some extent we as a nation have suffered on that account.

Mr. Carter goes on a little later, at page 20 of his pamphlet, to give some idea of more recent discoveries which make it even more necessary that wheat should be used. I quote again from this pamphlet:

> In Iowa State College laboratories Dr. L. A. Underkofler, Dr. Ellis I. Fulmer and a Chinese scientist Dr. Lu Chen Hao, have discovered how to eliminate the use of malt in producing

alcohol. Instead of malt they use a special "mold," similar to the kind of mold that makes bread spoil. Details of the mold and the method of using it cannot be released at this time, because the process is of vital military importance to the united nations.

Why is the process important? For the reason that the mold method gives from 100,000,000 bushels of wheat at least 25,000,000 more gallons of alcohol than are obtained from the same quantity of wheat by means of the standard malt-yeast process. . . .

The Seagram Company (known in Canada mostly for the liquor it manufactures, but familiar to chemists as one of the world's largest producers of industrial alcohol) has announced that its famous Russian-American scientist, Dr. Paul J. Kolachov, has perfected a revolutionary new system of fermenting mash. The new process is continuous. Instead of fermenting the mash in enormous batches, the Kolachov apparatus carries out the process continuously. . . .

Chemical engineers are well acquainted with this method applied to industrial processes. Thus in the continuous fermentation process for making alcohol, the time required for complete fermentation is reduced from 50 hours to only 5 hours. In effect this makes one piece of apparatus do the work of ten. The cost of erecting large-scale equipment is thus drastically reduced, and the cost of production of alcohol considerably lowered. The new method is therefore expected to have a very favourable effect upon the future manufacture of industrial alcohol from wheat. . . .

When wheat is fermented to make alcohol, naturally a large quantity of fermented mash is left behind. Most of the starch in the wheat has been removed from this material, in the form of alcohol. The remaining mash is thus rich in wheat proteins. And proteins are the food substances that build muscle—meat—in cattle and chickens. . . .

When large-scale grain alcohol plants are established in the farm lands, the farmers will have a source of feed of the highest quality. This feed will be a by-product of the alcohol industry. In this way the cost of raising beef cattle, sheep, hogs and poultry will be sharply reduced. There will be a large and dependable source of supply of the feed. And the feed will be one of the finest known to science. This combination of advantages will place the wheat farmer in a very much better position for carrying on mixed farming, a matter of vital concern in post-war Canada.

When our people in western Canada read of these things, they realize that vast horizons would open out to them if only they were in the position to establish the basis, which is the industrial alcohol, for many of the new industrial uses to which it could be put. I have noticed during this debate that a number of members have paid high tribute to the boys in the armed forces. I do not disagree with that. There have not been any tributes paid to the boys which they do not deserve; none are high enough, none good enough for them. But I submit that if some hon. members were a little more alert in guarding the interests of these same boys when they return and have to take up their ordinary occupations in this country, many of them as farmers, it would be a great advantage. I feel sure that every one of these boys would rather know that this government and this parliament had looked after their interests in this particular matter and made it possible for them to know that a livelihood would be waiting for them when they come back. When all is said and done, I believe that all members in this house, no matter on which side they sit, are agreed that in the future we need to decentralize our industries rather than keep them centralized to the degree they are in eastern Canada. Eastern Canada is well developed. If we had these grain alcohol plants on the prairies, besides the fact that, as Mr. Carter has pointed out, they could have been built more quickly and would have been in operation sooner, they would have used something of which we have a surplus, rather than using oil, which is scarce. It is possible that this would have formed the basis of other industries after the war is over.

Mr. Carter admits, I believe, that actually to use molasses as a base for industrial alcohol is cheaper than to use wheat and grains, but he goes on to say that were distilleries built in western Canada, and the other subsidiary industries, such as plastics and other things, developed, the lessened cost of transportation and the increase of industry from these subsidiary industries would automatically help to lower the cost. He states very definitely—and again I quote from his report—at page 24; that industrial alcohol is needed not just as a war measure but for various industries of the future. He says:

> Alcohol is vital to the production of solvents, cleaners, varnishes, paints, lacquers, shellac, rayon, radio and electrical equipment, plastics, gasoline, food products and flavours, artificial leather, dyes, moving picture film, linoleum, ink, glue, rubber goods, cosmetics, perfumes, medical necessities such as antiseptics, anaesthetics and drugs, and explosives for both war and peace time.

Our farmers are beginning to realize that if they had in western Canada, as a base for many of these new industries, the alcohol which is needed, we could utilize straw, which as a rule, year after year, has been burned and has gone up in smoke on the prairies. Greater uses could be made of the soya bean, and industrial uses could be found for milk products, for the dandelion, and for such waste agricultural products as corncob and oat hulls. Not long ago, Mr. Mackenzie, chairman of the board of grain commissioners and chairman of the government agricultural subcommittee on reconstruction, stated before one of the com-

mittees of the house that in his opinion many new industries could be started if we could go ahead with the government's assistance in the building of plants for the making of industrial alcohol from wheat. But the farmers had no one to put up their case. They could not actually submit to the government specific figures with regard to costs, and so on.

I do feel that the minister needs to give us a full and detailed account of all that occurred before he and the government made up their minds to go ahead as they have done. It seems, according to certain opinions that have been given, that the use of oil as a base is more expensive and it takes longer to produce and to build the plants, and it uses oil which is needed in time of war emergency. Besides that, the government has neglected to take into consideration the question of the rehabilitation of the west from the point of view of its future prosperity.

I would ask the minister to give us in his report some idea of how long it will be before these plants that are now being erected in Sarnia will pass out of government control. Will he let us know the sums of money which will have been expended by this government and to what degree they will pass into the hands of oil companies? Has the government any guarantee of what future use the oil companies intend to make of these plants after the war is over? These are questions that ought to be cleared up, because the people of the west at the present time feel that not only in a war emergency has a wrong course been taken by the government but the whole future prosperity of western Canada has been pushed into the background in the consideration of these estimates.

Mr. HOWE: I would be glad to make a statement on the rubber situation at this time, but if there is to be further discussion it can wait.

Mr. ROSS (Souris): I was going to make a slight reference to that question, and I shall not take up much time. First of all, in my opinion the statement of the minister last Friday certainly indicated that a big job of production had been accomplished, and in that respect the minister and the industrialists are to be congratulated.

Following the observations of the previous speaker, I well remember, during the first session of this parliament in the fall of 1940, when the hon. member for Victoria-Carleton spoke on this matter, he placed on *Hansard* a formula with regard to the manufacture of grain alcohol and synthetic rubber. This has got beyond the experimental stage, and in this regard I agree with the remarks of the previous speaker. Something should be done to develop the scheme in western Canada. Indeed, the time is long past.

The attitude of the government toward industry and agriculture has been very different throughout our war effort. Apart from capital assistance, industry has produced on a cost-plus basis during this war, and owing to this fact industry has paid a greater rate of wages and this has attracted many of the more efficient farm workers to these centres.

I wish to raise two or three questions, one with respect to farm implements in so far as the minister's department is concerned, and another with respect to the reclamation of used lubricating oil. The hon. member for New Westminster yesterday spoke about the steel monopoly and the agitation that had been carried on against development in his province, and I think he was on sound ground in the arguments he advanced. I have a word or two to say with regard to the allocation of steel for the manufacture of farm implements under the controller. Recently from twenty-five to thirty-five per cent of the 1940 production has been allocated. In the second place, farm implement factories were directed to manufacture vehicles for the armed forces. I am sure no fault could be found with that, although much of this military equipment has been piled up along the railway sidings for the past few months, some of it deteriorated, some of it becoming obsolete—because everyone knows how rapidly models change. While this has been taking place, the farmers have been unable to purchase modern machinery, either for the field or for dairying, and that is true throughout the country. At auction sales, used farm machinery has been selling above the price of new articles in various parts of the dominion.

There has been a distinct lack of planning in production and in the allocation of steel in Canada. If these vehicles were needed for the armed forces, some department has fallen down, perhaps through lack of the necessary water transportation. If that is not the reason, then a greater percentage of steel should have been allocated for the manufacture of farm implements, because the farmers are labouring under great difficulties at the present time.

At the commencement of the war there were 53,000 farm tractors in Great Britain and today they have 120,000. In Canada this year the new tractors supplied will number 5,000, which is less than one-third of the supply we had last year. Most people realize that the acreage under cultivation in this country today is three times that of Great Britain; yet

we have practically the same total number of tractors. The last figures I could obtain showed that there were 107,000 for Canada. In normal times the western agriculturists alone require annually $50,000,000 of farm implements, but they were rather handicapped when the war broke out because, according to the farm implement manufacturers, at that time, owing to the depressed condition of agriculture, there was considerable back-log; $200,000,000 worth of farm implements were required then. So that when the percentage of steel has been reduced to the extent it has, it places agriculture in an embarrassing position.

I should like the minister to make a statement on the allocation of steel for farm implement production, and to indicate how it has been done and what his hopes are for an increased allocation for the production of these implements. How soon may we expect that in the future?

With regard to used lubricating oil, I understand that the minister's department is responsible for supplying oil and gas to the air force and the other departments, and on June 7 we had a statement from the department of air that 209,726 gallons of used lubricating oil had been sold to a private concern, the North Petroleum company at Kamsack, Saskatchewan, for $10,236.75, or approximately five cents a gallon. Statements were made by other hon. members showing that reclaimed oil was sold in Calgary at sixty cents a gallon. It was also pointed out by the department that eighty-five per cent of the oil used in aeroplane motors could be reclaimed. If that is the case, on this one deal these people would sell this product, which they purchased for some $10,000, for $106,959.60, or more than ten times the cost of the used oil, less the cost of transportation and reclaiming. I understand that approximately 150,000 barrels, or 6,750,000 gallons, of lubricating oil were used last year by the air force in Canada alone, which is 32½ times the amount reclaimed in the same period. At sixty cents a gallon that would amount to $3,444,099, and in addition we would be conserving this very scarce product. That was the amount used in the air force alone, and I have no doubt the same thing could be done in other departments of the government today. I hope the minister will make a statement as to the possibilities in connection with the setting up of reclaiming stations throughout Canada which, as I said before, would not only bring about a very great saving in dollars and cents but also conserve a great deal of this very scarce product in this time of war.

Then on May 9 I asked the minister a question with regard to an authorization permitting gasoline and oil service stations throughout rural Canada to remain open on Saturday nights until ten o'clock, at least during the summer and fall months. A year ago, in response to a similar request, these stations were permitted to remain open on Saturday nights until nine o'clock, and a great many people would have appreciated the extension of that limit to ten o'clock. Since that time I have discussed the matter with the minister; I was unable to speak to the oil controller, who was away at the time. A year ago I pointed out what this might mean in the saving of man-hours to agriculture, apart from the savings in gasoline and oil. A great deal of time would be lost throughout Canada if during the busy months of the summer and fall the farmers had to knock off early to get to town before seven o'clock in order to obtain their supplies of gasoline. In addition, it is recognized that, on the prairies at least, all the weekly shopping is done on Saturday evening; everything possible is put off until then, so that if these stations could be permitted to remain open until ten o'clock on those evenings, it would certainly greatly assist the war effort in general and would be appreciated by the agricultural population of the country. I hope the minister will be in a position to make a statement in regard to this matter; I know when I spoke to him about it he said he thought something might be done in that direction. At the same time I trust that he will deal with the other points I have raised.

Mr. MacINNIS: There is not very much I have to say in this discussion, but there are one or two matters to which I should like to draw attention. Before doing so, however, I wish to say a word in regard to a point raised by the leader of the opposition this afternoon. He referred, I think in terms of approval, to the speeches made yesterday by the hon. member for Rosetown-Biggar and the hon. member for Winnipeg North Centre, but he wanted to know what was our solution; what could be done about it. Well, surely a great party like the Progressive Conservatives, who have come out with a new programme for the Dominion of Canada, should not be at a loss as to what could and should be done in a case of this kind. I see no difficulty as to what should be done. If the resources of Canada have been alienated without due recompense to the people of Canada then those resources should be returned to the people of Canada. I remember in 1932, when the former leader of the Conservative party, who was at that time Prime Minister, introduced in this house the bill setting up a publicly-owned radio system, he said there was not a public man in Canada—

I am just quoting from memory now—who did not regret that the natural resources of this country had been given away by those who were supposed to act as trustees of the people's property; and given away, he said, without adequate return. If that has been done, and I think there was sufficient evidence placed on record yesterday to prove that it was done; if the people of Canada are being exploited to-day, when we are engaged in a world struggle in which everyone is supposed to sacrifice, some even to the extent of giving their lives—I say, if the property of the people of Canada has been given away without a proper return to the people, surely no government should have any compunction about returning that property to its rightful owners.

I also remember in 1931 when the group then sitting on this side of the house—the group, I might say, out of which the present Cooperative Commonwealth Federation developed—brought to the attention of parliament another scandal. I remember hearing Mr. Bennett say that the government of Canada could take over the Beauharnois project as a work in the interests of the Canadian people, but that was never done.. The special interests, who have always been held in such tender regard by governments in this country, were too strong to allow the appropriate action to be taken in the circumstances. So that if any government to-day wishes to do something for the people of Canada, it has all the power necessary; all that is required is the will.

I have no hesitation in associating myself with the other hon. members who have already congratulated the minister upon the inspiring report on war production which he presented to this committee last Friday. Without doubt the minister has made a good job of organizing the material factors in our war industries.

Mr. DUPUIS: Hear, hear.

Mr. MacINNIS: All right; I agree. But having said that, I must say that when the Minister of Munitions and Supply comes to deal with the human element in those industries he falls down completely. There are so many cases in point that I have no trouble in showing what has been done, because of the attitude of the minister and his department toward the human factor in industry. It was clearly demonstrated in 1941 in the case of the National Steel Car employees, and it was further demonstrated in the case of the Arvida workers in the same year. In the latter case the workers, suffering under the most terrible conditions, revolted and went on strike; the only sympathy they got from the minister was an order in council enabling the government to send the military in to put them down. A royal commission appointed by the government exonerated the Arvida workers from any subversive intent and brought attention to the terrible conditions under which they had to work, and which still exist. There was no apology made to those employees. That order in council is still in force, with the government having the power to use troops at any time it may consider necessary. I will say this, that if troops ever go to Arvida they will go there to subdue the workers, and not to return to the people of Canada the property that has been improperly taken from them.

An hon. MEMBER: Hear hear.

Mr. DUPUIS: A lonely applauder.

Mr. MacINNIS: Some day it may be bigger; do not worry about it. I am not worrying at all, because I have been in the house too long to pay much attention to applause. It is pretty much the same as at a football match. Each side applauds its own men. It is a rather childish thing, in a way; but I suppose people who have no other way of expressing themselves, should not be denied such a little consolation.

Then, I could refer to the long struggle for union recognition in the plants of various crown companies. The latest case, about which I wish to say a few words, is about the shutting down for several days of the Boeing Aircraft plant at Vancouver. All of these cases show the ineptness, I may say, of the Minister of Munitions and Supply, when he comes to deal with the human factor in industry. And I wish to say that if we do not find ways and means of bringing the workers in industry into active cooperation with the other factors in production, we are not going to get much out of this war, even if we win it—which seems much more likely now than it did a year ago.

Mr. CRUICKSHANK: What do you mean by "even if we win it?"

Mr. MacINNIS: Yes, even if we win it, although it seems more likely now. It is not yet in the bag, if my hon. friend will allow me to say so.

Mr. CRUICKSHANK: By heaven, we think it is in the bag, whether you do or not.

Mr. MacINNIS: All right. Even great minds may differ, you know.

Mr. CRUICKSHANK: You and I will not agree then.

Mr. MacINNIS: Perhaps we never did—and I am not particularly anxious that we should.

The difficulty with the minister is that he does not seem to realize that workers are human, and that they want to be treated as human beings, and not like so many packages of labour power which can be put into industry, in the same manner as steel or brick or mortar or things of that kind.

The stoppage of work, or the shutting down of the Boeing Aircraft plant in Vancouver, was inexcusable. It was entirely owing to the dictatorial attitude of the minister and his director-general of aircraft production. I want to say here and now that it was not a strike; it was a lockout. It was a lockout by the government, at a time when the government was saying that we needed aeroplanes more than anything else. Canadian Pacific Air Lines, which had a plant close to the Boeing plant, had agreed many months before that the employees should have rest periods. They refrained from putting these rest periods into effect—at the request of the government, I think, or the request of the Department of Munitions and Supply—because the government felt that to put the system into effect in a plant situated so close to the Boeing plant would cause dissatisfaction in that plant. When the Canadian Pacific Air Lines moved their plant to the new place at Queensborough they put the rest periods into effect. It was agreed upon between the company and the employees. As a matter of fact, I have been told by the employees that in all these disputes there was at all times the best of understanding between the employees and the companies concerned.

Mr. HOWE: May I straighten the record with respect to Canadian Pacific Air Lines. They took over part of the operation of Boeing. When they took it over they entered into an agreement with the Department of Munitions and Supply that the labour agreement which applied to the Boeing employees would be maintained holus-bolus between the Canadian Pacific Air Lines and its employees, and that there would be no variation between the two agreements. It was a written agreement with Canadian Pacific Air Lines, which was violated by Canadian Pacific Air Lines.

Mr. MacINNIS: It was not while they were at the plant.

Mr. HOWE: But the agreement had not been abrogated.

[Mr. Cruickshank.]

Mr. MacINNIS: My understanding of it is that they were told that as soon as they moved to the new plant at Queensborough there would be no objection to it.

Mr. HOWE: They were told in violation of an agreement between Canadian Pacific Air Lines and the Department of Munitions and Supply. The employees were innocent parties, but Canadian Pacific Air Lines were not.

Mr. MacINNIS: In any event, that is what the employees were told. This is what I wish to draw attention to: In 1942 Mr. Bell was on the west coast, and he was approached in connection with wages and working conditions at the Boeing plant. He told the employees that he could not do anything, and that they would have to take the matter up with the Department of Labour. But the moment that this rest period went into effect at the Canadian Pacific Air Lines plant, it did not take Mr. Bell long to take action and put a stop to the rest periods.

Mr. HOWE: Had the employees taken that up with the Department of Labour?

Mr. MacINNIS: Well, I imagined they had. They had been in negotiation with the Department of Labour from April, 1942.

Mr. MITCHELL: I think I know of what I speak, and—

Mr. MacINNIS: Well, I do not just like that.

Mr. MITCHELL: To keep the record straight—

Mr. NICHOLSON: I cannot hear you.

Mr. MITCHELL: Perhaps if you could it would not make much difference.

Mr. NICHOLSON: It would not matter; no.

Mr. MITCHELL: What happened was that before we had an opportunity to settle it there was a strike. There is no doubt about that. You can call it a lockout, or whatever you wish, but actually there was a strike. We were told that if the thing was not settled by ten o'clock on Wednesday or Thursday morning there would be a walkout, and that is what happened. You can call it a lockout, if you wish; but actually the employees walked out on strike.

Mr. MacINNIS: That is not the case, at all. The Minister of Munitions and Supply gave an order to close down the plant. It is quite true that the employees took fifteen-minute rest periods, and then—

Mr. HOWE: Six times in twenty-four hours.

Mr. MacINNIS: And when they did, the Department of Munitions and Supply gave the order to close down the plant. And the plant was closed down for several days. The men went back and shortly afterward an agreement was entered into. While this did not give them exactly what they wanted, it went part of the way and rest periods or smoking periods were granted.

Mr. MITCHELL: They went back on the advice of their own officers.

Mr. MacINNIS: Quite true, I know that very well because I was in close association with them. I sent the minister a telegram in connection with it, which was signed by the hon. member for Winnipeg North Centre (Mr. Knowles) and myself. I have reams of reports on it right here, but I just wish to draw attention to these things. If the Minister of Labour were wise in the matter, he would not begin at this time making apologies for what had taken place because if he—

Mr. MITCHELL: The Minister of Labour is not making any apologies, and he does not have to when it comes to the settlement of the Boeing strike. The Department of Labour did everything possible in carrying out the normal procedure of industrial negotiations. Probably my hon. friend has not had so much to do with these matters in the last few years, but the thing was settled when they came here. If my hon. friend can justify a six hour and twenty minute day before the bar of public opinion in the middle of the war, he can have that privilege.

Mr. MacINNIS: I am not justifying anything.

Mr. MITCHELL: No?

Mr. MacINNIS: I am not even justifying the attitude of the Department of Labour. Am I to understand now that—

Mr. MITCHELL: You are turning a sharp corner; that is all it is.

Mr. MacINNIS: Am I to understand now that the Minister of Labour does not agree with the settlement made between the Canadian Pacific Air Lines, the Boeing company and their employees, that he is opposed to these rest periods? I am glad to have that on the record.

Mr. MITCHELL: I want to say to my hon. friend—

Mr. MacINNIS: Will the minister please sit down. We shall have something to say on these matters next week, but just now I am talking.

Mr. MITCHELL: On a point of order, I want to throw that back in the teeth of my hon. friend.

Mr. MacINNIS: That is not a point of order. If you have a point of order, address it to the Chair.

Mr. MITCHELL: I want to say to you, Mr. Chairman, that I throw that back in the teeth of my hon. friend. He is putting words in my mouth which I never uttered.

Mr. MacINNIS: What did the Minister of Labour say? He asked if I could justify a six hour and forty minute—

Mr. MITCHELL: Six hour and twenty-minutes.

Mr. MacINNIS: A six hour and twenty minute day in war time. Evidently he does not justify it; he is opposed to it. I am saying that it is time that the workers knew the attitude of the minister in these matters.

Mr. MITCHELL: And the truth.

Mr. MacINNIS: And the truth of it. I am telling you the truth and because I am, it hurts.

An hon. MEMBER: And the boys overseas.

Mr. MacINNIS: They would like to know who ordered the shut-down of the plant, and they know it.

Mr. EVANS: Do you agree with them taking rest periods?

Mr. MacINNIS: They have rest periods now.

Mr. CRUICKSHANK: Do you agree with it?

Mr. MacINNIS: Certainly.

Mr. HOWE: They have no rest periods now.

Mr. MacINNIS: What are the periods?

Mr. HOWE: They are allowed to smoke for ten minutes, but they keep on working.

Mr. MacINNIS: That is pretty much what they wanted. They are allowed to smoke for five or ten minutes, depending upon what part of the plant they are working in. Those are the only rest periods the men asked for.

I should like to draw attention to another matter the minister referred to in his speech to the committee on Friday. Referring to the government arsenal at Quebec, he said that this plant was a model for its type of production, both in efficiency of operation and in the quality and quantity of its production.

I am glad to hear that the government arsenal at Quebec is so efficient, but there is a good deal to be desired there in the way of labour relations with the management of the plant. A delegation came to Ottawa representing the arsenal workers about two weeks ago to put their case before the national war labour board. They are certainly not satisfied with the conditions prevailing in that plant. The government and the minister may be satisfied with the efficiency of the plant, but if that efficiency is attained by means of bad labour conditions and low wages, it is too great a price to pay, so far as the employees and the people of Canada are concerned.

Mr. CRUICKSHANK: Are the wages low in comparison with those paid at the Boeing plant?

Mr. MacINNIS: I am away past that.

Mr. CRUICKSHANK: Are they?

Mr. MacINNIS: When you catch up I will answer the question.

Mr. CRUICKSHANK: You do not want to answer it.

Mr. MacINNIS: Surely something could be done to remove some of the grievances of these employees in this government plant. I submit that a public employer should be a model employer in the wages that are paid and the working conditions that prevail. I was informed by the arsenal employees that they have poorer working conditions than the employees of the United Kingdom inspection board, who work side by side with them in the same building. This is another case of rest periods. The United Kingdom inspection board employees have rest periods, while the employees of the Canadian government, working side by side with them in the same building, have no rest periods. That does not make for good feelings and good relations in the industry and I suggest to the minister that he give some consideration to improving the working conditions in that plant.

Replying yesterday to the hon. member for Rosetown-Biggar (Mr. Coldwell), the minister said that he was fighting a battle against the axis and not against trusts and combines. I may not be quoting his exact words, but I think that is the sense of what he said. I suggest to him that he should not overlook the fact that trusts and combines, inequality as between nation and nation, as between class and class, as between individual and individual, are the root cause of the conflict in which we are engaged to-day. Every effort, even when we are engaged in a war, that can be made to obviate these conditions, should be made.

On another occasion in the house I referred to the speech made in Toronto by the Prime Minister (Mr. Mackenzie King) when he was addressing the convention of the American Federation of Labor in October last. He read a long passage from William James, a beautiful passage. Then he said this:

> Will this war not determine whether we are to go on, in the future, as we have too largely in the past, ever seeking to emphasize the differences between nations and between individuals, or whether "men's lives are to be levelled up as well as levelled down—levelled up in their common inner meaning, levelled down in their outer gloriousness and show!"

Mr. McIVOR: Hear, hear.

Mr. MacINNIS: "Hear, hear" yes, but fine words butter no parsnips. Here are these workers in Quebec who work side by side with other employees in the same plant under poorer conditions, and I say that we should keep in mind that these men, even if they are workers, are still men, with all the hopes and aspirations of human beings. Let me say in conclusion that we cannot educate men and women and put the light of life in their souls, and then treat them as mere serfs or as bits of material no better than the raw materials that enter into production.

Mr. HANSELL: The other day when the estimates of the Minister of National Defence were up for discussion I asked a few questions which were not completely answered, and perhaps the Minister of Munitions and Supply can cover the ground a little more thoroughly. I was asking questions with respect to the salvaging of materials after the work on a plant or building had been completed. My understanding is that contracts for the erection of buildings are made out and signed, and that there is no salvaging so far as the government is concerned of any materials that may be left over, that any left-over materials are sold perhaps by the contractor, who may get whatever he can out of them, and that the country gets no benefit from the sale. If that be so, I would ask the minister what check is made of materials going into new buildings and what check is made of the materials that may be left over when a job is completed. I know for a fact that in the building of a certain air training school vast quantities of materials were left over, mostly lumber, and they were not salvaged so far as any government salvaging is concerned.

Mr. HOWE: May I ask my hon. friend a question? I think he asked for a return on that matter, and if I remember the contract, it was a lump sum contract, and the materials belonged to the contractor. Is that the contract?

Mr. HANSELL: That perhaps is so, but I did not find that answer in the return.

Mr. HOWE: I may be wrong. I was just asking my hon. friend if that was the situation.

Mr. HANSELL: I have the impression that that was the situation, because I know there was nothing salvaged out of it by the government. That was the reason for my question: What check is made of materials entering into these buildings, and what check is made of the materials that may be left over?

While I am on this point I want to mention a grievance. I trust that it will not be considered too small to mention. I know that when we are spending billions of dollars, a few dollars sink into insignificance, but to the people of a community they are not insignificant and there is a principle involved in this matter that I wish to mention.

The property that was bought for this particular school, the Vulcan air training school had upon it a very fine farm dwelling. I say very fine, meaning very fine as farm dwellings go. There was also a very fine barn on the property. On two occasions tenders were advertised, putting these buildings up for sale. The first time they were advertised the contractors persuaded the government to put off the sale because they could use the buildings and the barn. Accordingly the sale was put off. Later, tenders were advertised again. I discovered that some bids were made on this dwelling and on this barn. It may not appear from these bids that the value of these buildings was very great, but of course they had to be moved, and there would be some expenses in moving them, and so forth. I will deal with the barn first. Five offers were made for this barn ranging from $80 to $251.50. It was a good-sized substantial barn, thirty-two by forty, and the height is given as 136 feet, but it could not be that high; I think that should be thirty-six feet high. The barn had two rows of stalls with wooden floors. The stalls were not of any consequence but the materials were. The posts were six by eight. When I called for the return I discovered that while these buildings were put up for sale, they were not eventually sold. The last letter that closes the incident was written by T. Earl Walker, Acting General Purchasing Agent, to the Salvage Officer, treasury office, Ottawa. It is dated August 31, 1942, and reads as follows:

Dear Sir:

With reference to the matter of the disposal of a barn at Vulcan aerodrome, I am to advise you the department is in receipt of a radio-telegram, requesting cancellation of sale of this building as the R.C.A.F. No. 4 have decided to retain the building for their own use.

I should like someone to go out to that air training school and see if he can discover where the barn is. It just is not there. What happened? Well, we had these five bids as well as other verbal bids, and this is where the rub comes; this is where the principle is involved. This occurred last fall, when farmers could not get one board of lumber in town; it was not there. They needed lumber to provide extra storage facilities for their grain, and they bid on this barn because with a little support it would have made an excellent granary. What happened to the barn? In spite of the offers which were made, someone in authority sent two or three tractors on the field, threw a cable around the barn, then threw another cable around it, and one tractor drew one cable, the other tractor drew the other cable, and they simply pulled the barn to pieces. You could go into the corner of the field and find a pile of wrecked lumber. When one gentleman was telling me this story he said, "You know the tracks which these big barn doors run on? You cannot buy one of them at Eaton's for less than twenty-five or thirty dollars, but go over in the corner of the field and you will find nothing left of the tracks but a piece of twisted steel." I am not discussing this incident now from the point of view of saving money as much as on the principle that that sort of thing should not go on.

What do we find in this letter here? We find that the school had "decided to retain the building for their own use."

Well now, about the house. I drove past that air training school, and there was a fine house twenty-four feet by twenty-six feet, with the addition of a twenty-four feet by fourteen feet lean-to. It had four bedrooms, and it was electrically wired, although the wire was put in after the house was built. Offers were received for the purchase of this house, although they did not run very high. I know one woman who wanted to buy it and move it into town to use it for her business. She was going to set up a laundry. Here was an air training school which was to accommodate from fourteen hundred to two thousand men. The population of the town almost doubled. Housing conditions were acute. Young men coming in with their wives could not even rent a room. Some of their young wives had to go to a hotel and pay more for accommodation there than their husbands were earning as airmen, leading aircraftmen, and so forth. As I drove past the school and looked at the house standing there, I said to myself, "I wonder why somebody does not buy that place and move it into town. It could be remodelled into perhaps four apartments." People there

could not even remodel their own apartments because the lumber was not to be had. About three days afterwards I passed the same spot and the building was gone. I said to myself, "Somebody must have bought that and moved it." But I knew it could not have been moved into town because the moving of a building like that into town would have been big news. What had happened? They did the same with that farm residence as they did with the barn.

Mr. MacNICOL: Pulled it to pieces?

Mr. HANSELL: Yes, pulled it to pieces. And I have to add that they did not put men on it to take it apart in order to retain the lumber. Airports do not need to do these things; they have a priority in the purchase of lumber. They could not have done it in the time. The building was wrecked in the same way that the barn was demolished. When I called for a return, nothing was said about this building, so that to make sure of my facts and not to unduly embarrass the government I put a subsequent question on the order paper asking for what purpose that building was now being used, and this is the answer: "The residence and barn in question are no longer existing." Of course I knew that. "On request of No. 4 training command headquarters the residence was retained from sale by the Department of Transport and salvaged for lumber." Well, I would suggest that they did not get half a dozen boards out of it for lumber. It may have been chopped up for firewood. "The barn was disposed of by the Department of Transport. These buildings were hazards to flight."

Mr. MacNICOL: Probably the barn they "disposed of" was torn to pieces.

Mr. HANSELL: Of course, that is the way they disposed of it. Here was a dwelling which people needed, and bids were made on it; and here was a barn that the farmers needed and bids were made on it—both destroyed. I know it is not the money question which is important. I understand that when a minister's department is dealing in billions of dollars a bid of two or three hundred dollars is only a drop in the ocean; but imagine the feelings of the people of the community when they cannot buy lumber to store their grain, when housing conditions are so bad, and two substantial buildings are torn to pieces! That is my complaint, Mr. Chairman; I simply lay it before you.

While I am on this matter might I say one other thing, and I want the minister to answer the question or give us some light on it. It seems that when engineers are sent out to locate a piece of territory for the building of an air training school, or anything else, they should have in mind at least one fundamental, namely, that there should be an adequate water supply. Even when I was a boy scout we were told that the first thing to think of when you went to pitch your tent was whether there was any drinking water nearby. I do not believe that these engineers were even good boy scouts, because when they went out and pitched their tent they did not make certain that there was a drinking water supply at hand. I suppose that since that school was built they have drilled dozens of holes within close proximity to the school to see if they could find enough water to supply the staff and the students. Eventually they concluded that they would have to pipe the water some distance; I do not know how far, but I believe it is anywhere from seven to nine miles. You see what it means. It means wastage of man-power and material, all because somebody made a mistake in not making certain that there was an adequate water supply there before they built.

How do these things happen? I could excuse it if this were the first air training school that had been built, because they had to do things in a hurry, and even then I doubt whether it would be reasonably excusable. But this air training school has been built only recently, having been open for only about a year. Can the minister throw some light on that? What is his explanation? I am told that this is not an isolated case. It is a case I know of, because I have driven past the place time and again, and what is more, they were digging ditches and laying pipes. I did not get out to see what kind of pipes they were, because it was in winter time. They were putting in pipes, but it does not matter whether they were clay or steel pipes. The minister might say whether they were steel pipes that were being put in. We need steel for other purposes and not to fix up engineers' blunders. Moreover, it takes machinery to dig ditches and it takes man-power as well. Somebody is responsible for that and should be taken to task for making a blunder of that kind, if it is as serious as I think it is. I have another question to ask on a different subject, but perhaps the minister could throw some light on that.

Mr. HOWE: At Vulcan airport sufficient water was obtained in the immediate vicinity in the sandstone formation at a depth of approximately 125 feet. The first analyses of this water indicated that it was of approved quality for general use, but after

continuous pumping the quality became poorer and poorer, owing chiefly to sodium sulphate in the sandstone. The quality deteriorated to such an extent that it was unfit for human consumption. Arrangements were completed with the various well-drillers for test drilling, and drilling continued for a period of time, gradually getting further away from the site. The final result was that a sufficient supply of potable water was located six miles from the airport. The construction of the supply main from this source is now practically completed.

The question of water, and pure water, on the prairies, is not a new one. Ever since the railways were built through that country they have been fighting the water problem. It is all very well to say that an engineer going there and test drilling for water and finding it at a depth of 125 feet should have known that continuous pumping would result in a deterioration of the quality of the water. As a matter of fact, he did not, and I do not know how he could have been expected to know it. I think the engineers of the Department of Transport have done a marvellous job in locating so many airports in the prairies, so well distributed across those provinces, in every one of which water has been a major engineering problem, and it is remarkable that they have made so few mistakes. Vulcan was one of them. Fortunately, by exploring the vicinity of the site, they did find ample quantities of good water within six miles. It is rather expensive to find water, but it was found, and the water situation has been straightened out. It may be bad engineering in my hon. friend's opinion, but I can tell him that if the engineers of the department had wanted to play safe with the water situation, there are many parts of Saskatchewan, Alberta and Manitoba that would have had no airports and no training schools to-day. But we distributed the airports as well as we could. We certainly took the water situation into account, but if we had wished to play safe from the start in this regard, the airport map in the west would have been different from what it is to-day.

Mr. HANSELL: All I say in reply to the minister's remarks is this. Farmers have been living around that country a good many years, and I do not think that any of them have died yet from drinking the water. The town of Vulcan has a population of 700 or a thousand, all used to their well water.

Mr. HOWE: What is the population of the air training school?

Mr. HANSELL: About 1,400 I believe. I am inclined to think the water is about the same kind all through that country, and I do not believe that any citizen has died yet. Be that as it may, I will take the minister's answer. Will he answer one other question? He failed to say what kind of pipes are being used in piping that water a distance of six miles.

Mr. HOWE: I shall be glad to obtain the information.

Mr. HANSELL: He did not say anything about the house and barn, but they are demolished. He was not there, but my friends were. I spoke with men who saw it done. So that that is all there is to the barn and the house.

Mr. GILLIS: I wish to discuss for a few minutes with the minister a matter which I think he considers of urgent importance as indicated in his statement to the house when making the presentation for his department. He said at that time that coal was one of our most pressing supply problems. Consumption has increased by more than forty-five per cent since the outbreak of war, and he goes on to set out a statement which clearly indicates that he recognizes the seriousness of that problem and its relationship to the general war production.

I am not going to be critical to-night, but I want to point out to the minister the problem as I know it and as it relates to fuel in Nova Scotia. I shall not attempt to discuss the situation in either British Columbia or Alberta, because I am not familiar with it. The major part of our coal comes from Nova Scotia, and in the light of that statement by the minister, showing that he recognizes the necessity for increasing production generally across the country, I hope that something will be done; otherwise there will be during the next year a serious domestic problem in the matter of fuel.

I am pleased that this matter has been placed under the Department of Munitions and Supply. My experience with the minister has been that he likes to get things done, and his report to the committee indicates that he has done a very successful job in the organization of the industry generally in Canada. I know that since 1940 this matter of fuel and the fuel policy has been discussed in season and out of season in this house, by myself and by others, and it has been handled by many different departments. Labour had it, and it went to the Department of Finance. Various controls were set up, and much assistance given to industry, from the operators' point of view, by way of cash from the treasury. But the fuel situation in Canada indicates that assistance of that kind does not

increase production. That is the position to-day. There are fifteen orders in council that provide subsidies for the movement of coal across the country, and there have been several more with regard to controls that have been set up for emergency purposes since the outbreak of war. Personally I cannot see that very much has been done to date to increase production in the country or to take care of that problem. I think the problem so far as Nova Scotia is concerned is much more serious than the minister realizes, and also much more serious than is realized by those who head his war emergency production board. I believe the government is directly concerned in the matter in view of the assistance it has given and the financial obligations it has undertaken in connection with the industry, as indicated in this return, which is sessional paper 145E dated Monday, May 24, 1943.

According to this return the government has paid out some $4,850,000 in freight subventions and so on. In addition, assistance has been provided to meet part of the cost-of-living bonus paid to coal-mining employees, in the amount of approximately $7,000,000. Assistance has been provided to enable operators to pay certain wage scale adjustments authorized by the national war labour board, to the extent of approximately $500,000 per annum. Production and development subsidies are provided by the emergency coal production board to enable existing operations to be maintained and, where possible, to enlarge the production from existing mines, or to develop new operations. The estimated cost of this assistance for the fiscal year 1943-44 is about $6,500,000. So that the government has accepted financial responsibility to a considerable extent in connection with the coal-mining industry of Canada. Along those lines I think it has done a good job, but I am sceptical of the machinery that has been set up to bring about that increase in production; I think there are factors entering into it with which this board is not familiar. I am not so sure that they will be able to increase production in the mines of Nova Scotia by releasing men from the army and turning them back to coal mining, or by taking them from other industries and putting them back into the coal mines of Nova Scotia. The entire operation in that province is such that it is doubtful whether production can be increased to any appreciable extent without making new openings, and it takes a considerable time to develop new openings to the point where coal is produced. That will not help us out next winter; and if there is an immediate shortage and a serious situation, as was indicated in the minister's statement, then I think other steps will be necessary in order to obtain that production.

There are certain factors which militate against the whole situation so far as Nova Scotia is concerned. I have made it my business to get some figures in this connection, and I have gone into the matter with the reconstruction committee and other bodies for months past, in an endeavour to show them exactly what is the situation. I am not going to go all over the matter, but I wish to point out to the minister that the vice-president of Dominion Iron, Steel and Coal was here recently, and we discussed this whole matter with him. He tried to make the point that the drop in production resulted from the men leaving the various collieries. I questioned him on the basis of the figures I have here, which were obtained from his own offices and which are fairly well up to date, going up to December, 1942. Take the Dominion Coal company, for example, which is the largest operating company in Nova Scotia. The number of men employed by that company in 1938 was 9,500, and at that time they were turning out 19,000 tons of coal a day. In 1942 the number of men employed had dropped to 8,000, and the production to 12,000 tons a day. That much production has been lost in the collieries of the Dominion Coal company; and all the men who have left the employ of that company have not enlisted. I took the vice-president of that company over the trail, colliery by colliery. I pointed out to him where No. 11 colliery, for example, had 950 men on the payroll in 1938, while to-day only half as many are employed. They did not leave their jobs there to go into the armed forces. There has been a constant fight to keep that colliery open for the last four or five years. It is folding up; it is practically worked out, and if the war stopped to-morrow we could not put these men back at work there.

That is one point. Then there is the reserve colliery of this company, which is now closed down. It employed some 450 men. There was a development at No. 25 colliery, which employed a few of those men; only recently that colliery was flooded, and work there is stopped. In 1938 there were 700 men producing coal in that colliery; it is out of production to-day and that production cannot be replaced. Then you could go along to No. 2 colliery, which a couple of years ago was producing 4,500 tons of coal per day. Now the production in that colliery is down to practically 1,000 tons per day, for the reason that the colliery is worked out. It is a pillar operation to-day; they are backing up on it,

and you are not going to put any more men in there when the war is over. You might be able to shove in a few to-morrow and push up your production a little, but not to anything like the extent that is necessary according to the statement made by the minister. All the collieries of the Dominion Coal company are in that position; they are old operations; they are long hauls, and they are on the wane. Coal mining in Nova Scotia, so far as Dominion Coal is concerned, is folding up, and I do not want the illusion built up in the mind of the minister that by passing along these subsidies to the operating companies the problem will be solved, or that by taking men from the army and from other industries and putting them back in these mines the necessary production will be achieved.

I think the solution in that regard can be found only in new openings. I emphasized that point in 1940 and 1941; I pointed to the developing crisis in fuel and outlined the steps which I thought were necessary. Had those steps been taken at that time, we would have had producing mines now, but it will take some time to develop any new mines now. The same situation exists in the Nova Scotia Steel and Coal company, or the old Sydney collieries. It also exists right through that province, and what I am trying to prove to the minister now is that throwing subventions into the laps of the operating companies will not solve the problem of fuel production. Do not make any mistake about that.

There is another matter I should like to bring to the minister's attention, and I want to place responsibility for this problem where it belongs. I mentioned a moment ago that No. 25 colliery was opened in 1938 or 1939, which absorbed about 250 of the men who had been employed in the reserve colliery. That mine is flooded to-day; they brought another old mine into it. That was on account of faulty engineering on the part of the Dominion Iron, Steel and Coal company. I remember distinctly when they were talking of opening that No. 25 mine, just a few years ago. The men who lived in that district, who knew mining from a practical point of view, and the executive board of the mine workers fought with the coal company to develop their new slope, and to tap the old mine from the top and pump it out. In that way they would have obtained immediate production by routing quite a number of men into the old colliery, getting coal from that colliery while they were developing the new slope and tapping another section of it. They emphasized the fact that the mine should be tapped at the top and pumped out; otherwise there was a chance of running into it and flooding the new development. That is exactly what happened. Two men lost their lives in that operation. And it is owing to the stupidity of the engineers of the Dominion Iron, Steel and Coal company; because the men knew better, and made a fight for it. You have lost all the production you had in that particular mine. I do not know how soon it will be over. It will have to be completely pumped out.

You also have a fire in the largest producing colliery of the Dominion Iron, Steel and Coal company. I refer to No. 12 colliery at New Waterford. I wish to place the responsibility for that fire directly at the door of the Dominion Iron, Steel and Coal company. It was caused by a long wall belt. It was a rubber belt which ran through these workings for some 1,500 feet. The men had been emphasizing continually for the past year that that section should be cleaned out, and that the belt should be free. Reports were written on it. Had attention been paid to the reports of the safety committee which travels through the mines every three months, the results would have been different. Had they been listened to with respect to cleaning up that section, and freeing the belt, the fire would not have happened. Two more men lost their lives in that colliery. There is now a fire at that point, which is displacing some 1,100 men.

I am sometimes a little bit sceptical as to whether certain operators do not accept all the financial assistance the government will put in their way, and at the same time use everyone with whom they come in contact as sales agents, while they make their money—by subventions or in some other way.

There is a loss of production in two collieries which can be placed at the door of the Dominion Iron, Steel and Coal company. It is owing to faulty engineering, and to neglect through not keeping that section of the workings, with a belt running through, free and clear. Had it been kept clear, the fire would not have happened. That has been a matter of controversy for some time. We hope that before this matter is closed the provincial government and the mine workers will place the responsibility where it belongs—and we know who is responsible. There has been a loss of four lives, and a serious crippling of an industry which is now essential. It is to be hoped that something will be done about the matter.

We have that problem to contend with, and I want the Minister of Munitions and Supply to understand it, because it now comes directly under his department. As I said before, I think he tries to get things done, and I believe he will do so in this instance.

That is the gloomy side of the picture; that is the actual situation. I would strongly urge the minister that he immediately take into consideration the matter of setting up some kind of organization similar to that in Great Britain. We know that when in 1917 Great Britain had a fuel crisis she had to take things over. She gave to men employed in the industry, and who knew the problem of production from the practical point of view, some responsibilities on the boards administering the order in council. That was done in order to have increased production. I shall not go into that matter in detail. She has had to do it again, during this war. That was done in July, 1942. At that time the British government set up a board composed fifty per cent of operators and fifty per cent of the men themselves. They are working together, and the matter of profit is subordinated to the interests of the state.

Then, Great Britain has stepped a little farther. She has declared that all mineral developments after July, 1942, in that country will be under government ownership and operation. Collieries are still operating and producing on a government-management plan. The important thing is to get the men in who understand the problem from the practical viewpoint, men who can give some practical advice as to how coal is to be produced. After three years of experimentation in the matter of assistance and subsidies, and things like that, surely we have arrived at the point where we have conclusive evidence that procedure of that kind does not solve the problem of production.

There are other factors which militate against the best results. I discussed this matter earlier with the Minister of Munitions and Supply. Provided production on the island of Cape Breton were increased tomorrow—and that is where one finds the major coal production in Nova Scotia—provided it were increased by 100 per cent, it could not be taken off the island.

An hon. MEMBER: Why?

Mr. GILLIS: For the simple reason that the minister has not the shipping facilities. Secondly, it cannot be moved by rail because at the strait of Canso there is a definite stoplock in getting across that strait. Only so many cars can be taken across per day.

Mr. HOWE: I am very much interested in this. But I would say to my hon. friend that if he will give me the ways and means of stepping up production, producing another three or four millions or more tons in Cape Breton, I will take full responsibility for moving it from there, even if I have to put our entire merchant fleet on the job.

Mr. GILLIS: I am glad to hear the minister say that.

Mr. HOWE: We will provide labour to that extent.

Mr. GILLIS: And I believe the minister would do it. But at the same time, in the interests of Canada to-day, and definitely in the interests of post-war production, the building of a bridge or causeway across the strait of Canso is something which should be undertaken. However, I shall not go into that matter now. That is something which is before the committee on reconstruction. A lot of cold water has been poured on the idea by the engineers of the Department of Public Works, and by the representatives of the Canadian National Railways. I have reports on it which evidently they have not seen.

Mr. HOWE: Before we leave the other subject; as I have said, I am very much interested in the views of the hon. member, because I realize he knows a great deal about mining on the island of Cape Breton and I know nothing about it whatsoever. What would be his suggestion for getting another two or three million tons of coal out of that country in the next twelve months?

Mr. GILLIS: I am not so sure the minister could get that within the next twelve months. As I said before, I do not see any solution in the operating collieries. They are old. You cannot step up production in those collieries to any great extent. The only chance of getting additional supplies of coal from the island of Cape Breton is to make new openings. As the minister knows, it takes some time to drift a slope or sink a shaft or tap a coal seam, before the product can be taken out. If a drive is put on, it might be done in seven or eight months. Openings might be made in certain places from which production could be obtained. Perhaps it could be obtained within six months.

For example, here is one proposal contained in a letter from a man in the town of Inverness. This man, Mr. J. H. Henderson, is thoroughly familiar with coal mining, and particularly mining in the county of Inverness. The mine there is producing very little. It is old, and is to-day operated by the government. For some time it was operated as a relief project. Mr. Henderson says this:

> There is lots of coal in Inverness yet, and a little money and good management will yet

put Inverness producing 500 tons a day without any difficulty. And as to the quality of the coal for domestic purposes, you know there is nothing better in Nova Scotia.

It is really a crime how this mine has been worked here. The sinking was down to 13 level when Mr. McColl came here, with a face of coal seven feet of the very best coal Inverness ever produced, and there was every evidence that the seam would flatten just as the late Norman McKenzie said it would. Of course the haul was long, but that could easily be overcome.

If I had the money and a free hand I would have Inverness producing 500 tons of coal a day in six months, and a thousand tons in two years.

Wish you could prevail upon the emergency coal producing board to investigate and I am sure they would be encouraged.

I know this man, and he is familiar with coal production. He knows that area and that particular mine. There is a chance that with the expenditure of a little money, and with someone to take responsibility, the minister might get out as much as 400 or 500 tons a day, in six months.

Here is another one. On the north side of Sydney harbour is a mine known as the Jubilee mine. In the late twenties this mine was fully equipped and a million dollar bankhead was built. The people from that particular area are urging the reopening of this colliery. The equipment is there and I think this mine could be made to produce in a very short time. The minister should examine into this and perhaps he will find that he can get production even more quickly than I anticipate. The bankhead was never used; perhaps it was another investment made to keep wages from the miners.

I have suggested on one or two occasions that there is coal at Thorburn in Pictou county. This is one of the best seams of coal to be found, and people who reside in that area tell me that production could be had very shortly. The hon. member for Pictou (Mr. McCulloch) probably knows of this operation and he could give the committee more information. But they claim that the slope there taps a good seam of coal, and perhaps production could be commenced in three or four months. In the Port Morien area on Cape Breton island is a good seam of coal which is close to the surface. If there is an emergency, you could go in there and make an opening and get production quite quickly. There is a small opening in the field a few miles out of Port Morien which produces 100 or 150 tons a day. This is capable of enlargement and it could possibly turn out 400 tons a day. At the present time they are handicapped by a lack of transportation facilities. The coal is taken out in trucks some seven or eight miles, and the road is in very bad condition. They have no power available, which retards their surface operations to some extent. Representations have been made to certain authorities, particularly in the provincial government, to have this road fixed up and to provide additional power so that the operations can be increased. It is a small operation now, but production could be stepped up and you could get some relief immediately.

These suggestions should be investigated immediately and something should be done. Again I want to emphasize to the minister that if he hopes to get the full cooperation of the men in any of these undertakings, he must recognize the fact, as was mentioned to-night by the hon. member for Vancouver East (Mr. MacInnis), that he is dealing with human beings. The coal miner's life is a miserable one, and in the past he has had little encouragement to buckle down and cooperate with anyone. The reverse has been the case; he has been the goat every time. It would be well to examine into what has been done in Great Britain. Perhaps a board of the type set up there, with regional representatives right on the spot, could be set up here. The men could be given some responsibility in connection with production. They must be shown that you are prepared to cooperate with them. They will go all the way with you if that is done. It is no good just paying a subsidy to the operator and expecting the fellow who produces the coal to slave and sweat without getting anything in return except the knowledge that he is helping out in an emergency, an emergency which was largely created by the people who have made money in the past.

There should be an incentive to the men in the collieries to produce more coal. If this is to be done, there should be a check-up on the income tax arrangements. Just prior to the Easter recess I discussed this matter with the Minister of Finance (Mr. Ilsley) and pointed out that on the basis of a forty-eight hour week, when a man is asked to work an extra one or two shifts it puts him in a higher income bracket. Then the whole thing is levelled back on his total weekly earnings, and the result is that while he has worked overtime to produce an extra sixteen or twenty tons of coal, he does not get anything; the whole thing is taken up in the income tax.

My suggestion was that either this overtime should be tax free or the tax on the overtime earnings should be worked out separately. These men are not objecting to being taxed on their forty-eight hour week, but a man feels that if he stays out to-night and punishes himself to the extent of working an extra

shift or two—they do not want to do it, but they do it because there is an emergency—he should be exempt from paying the tax on those earnings, or at least they should not go back over his total weekly earnings. The thing is absolutely unfair. This applies not only to mining but to practically every industry. Men and women everywhere are adopting this attitude.

Mr. MacNICOL: Is not that one of the reasons for absenteeism?

Mr. GILLIS: I would not call it absenteeism; it is simply a lack of incentive. In many cases these men lose money when they work overtime.

Another thing to be considered is the physical factor. The hours underground are too long. It is almost a physical impossibility to work a six-day week underground, and then follow with a five-night week. When you do that for three or four months you find you are getting pretty draggy and are feeling the need of a few hours rest. It should be recognized that people working under those conditions are entitled to a two weeks' vacation each year. That would give them something to look forward to. They have nothing to look forward to now. Every official, the man who merely checks up and travels the mine, who is not twisting his spine at the end of a shovel, gets a two weeks' vacation every year, but there is no vacation for the man who slaves and sweats. If the man in industry, particularly the man in coal mining, knew that he could look forward to a vacation for himself and his family, that there was something for which he could save and enjoy, there would be less absenteeism. When there is nothing to look forward to, you have more men taking time off during the week-ends.

Mr. MacNICOL: They are certainly entitled to two weeks with pay.

Mr. GILLIS: Certainly they are. If you are going to try to get production, you must give the men responsibilities and recognize the fact that they are human beings. You must check the hours of work and go into the question of vacations with pay. You must also probe the possibilities of industrial medicine. I called this matter to the attention of the Minister of Pensions and National Health and asked him to look into it. The Canadian Car and Foundry company, Montreal, have done wonderful work in this field. They have a doctor who specializes, and they have certain arrangements with their employees. I am told that absenteeism has been cut fifty per cent by this system of industrial medicine. It has proved beneficial. This is another matter the minister should look into. I urge him to check the social conditions under which miners are working if he wants greater production.

I rose to make these few remarks, because in the past this business of getting production in the coal mines has been very much a matter of wishful thinking. You have been placing your faith completely in people who in my opinion have done a very bad job of organizing the fuel industry in Canada. There is too much absenteeism on the part of management. Take the Nova Scotia coal industry, for example. Every decision that has to be made is made in Montreal. The local manager, who knows the mine, knows the employees and knows the operation, whenever a grievance comes up cannot make a decision. It passes through his hands and travels all the way to Montreal if it is a matter of any importance, and after the head office in Montreal have taken two or three weeks fiddling with something they know nothing about, you have trouble on your hands. That machinery is too cumbersome. I would give the mine manager in the local colliery responsibility to deal with the employees in the mines and settle small matters on the spot. These small matters develop into major grievances if they are allowed to drag on for weeks and months awaiting a decision by someone in Montreal, and that has happened many times in the past. Things that could have been settled promptly by the mine manager go to Montreal and are allowed to drag on, and in the meantime the men get tired of waiting for a decision and a colliery stops working here to-day, and another one there to-morrow, on account of this absentee management. If you want to get production you will have to set up regional boards as they have them in Britain, and put on those boards men who know the operation of the mine, competent coal officials who work underground and have grown up with the industry. I have a lot of respect for those fellows. They know their job, but as it is now, they cannot exercise responsibility because grievances have to be referred to Montreal. I would also have on the board some of the miners themselves who know how to get production. Other things that slow up production are a lack of compressed air, a shortage of timber, a shortage of machinery. All these things enter into production. The last time I was home I travelled the local unions and heard man after man discuss these matters and point out these things which militate against production, and which could be cured in fifteen minutes if only someone took hold and went after them.

The minister likes to get things done. He is an engineer and is used to getting things done. If he will take hold of this realistically and work closely with the men and check up at once on whatever is slowing up production, I think production can be increased to a great extent in Nova Scotia.

Mr. MacNICOL: Several days ago there was a question asked with reference to the water supply for Mossbank, Saskatchewan, where there is an airfield and aerodromes. The minister whose estimates were before the committee at the time said that the question did not come within his department but under Munitions and Supply. As I understand it, the water supply of Mossbank is supplied from Moose Jaw.

Mr. HOWE: No.

Mr. MacNICOL: Where from then?

Mr. HOWE: From Johnston lake, seven and a half miles away.

Mr. MacNICOL: The understanding was that water was to be pumped from the Saskatchewan river a distance of some seventy miles to Moose Jaw and that the airport was to be supplied from Moose Jaw. One of the reasons why that piping and pumping was done, I understand, was to supply Mossbank. That is not correct?

Mr. HOWE: No. At the Mossbank site water was obtained by drilling within one and a quarter miles of the site, but it was so highly mineralized that it was unfit for human consumption and it was necessary to continue test drilling, gradually getting farther and farther away from the aerodrome. An adequate supply of potable water was obtained near Johnston lake some seven and a half miles away. This supply was developed by the drilling of a permanent well, the installation of pumping equipment and the construction of a seven and a half mile wood stave pipeline to the airport, and the airport has been supplied from this source since the fall of 1941.

Mr. STIRLING: I had hoped that the minister would reply to the request of the hon. member for Lake Centre for his views as a member of the government with regard to the closing up of the crown companies when the time arises. I wanted in connection with that to make this suggestion to the minister, that he would take into account the fact that several of these crown companies are engaged in operations which bring them into competition with existing industry. There was a variety of reasons why the crown companies were set up. Sometimes they were to produce commodities which Canadian industry was not at that time able to provide. One reason was that certain machinery required in retooling was available only from the United States and the priority list made it difficult to obtain that machinery.

But there are two or three of these crown companies which it appears to me are busy with the production of munitions and tools and instruments which can in ordinary times be manufactured by Canadian industry. Now that the minister has explained the changes that have had to take place in production—a sufficiency of this article has been accumulated, and there will be less of that made and more of this made—it seems to me that the time is arriving when these Canadian industries which have built up their factories, and their reputations as well, in the building of certain lines of endeavour will have competition such as it is not advisable, I suggest, for them to have.

Mr. HOWE: Would my hon. friend give me one or two examples? I cannot think of a crown company in that position.

Mr. STIRLING: I am thinking of the Citadel, and Machine Tools, and Research Enterprises Limited. It appears to me that all these three I have mentioned—there may be others—were brought into being largely to create materials which Canadian industry was capable of creating except under that particular stress of war. It is quite true that some of these things were to be manufactured in secret. There were secret devices which had to be manufactured in secret, and the government may very likely have had excellent reasons for not assisting these Canadian industries to expand to cope with this business. But now we are changing-over production, and the time will shortly arrive when these Canadian industries will find themselves in competition with crown companies, and I ask that the minister in replying to the suggestions of the hon. member for Lake Centre, should bear that point in mind.

Another remark I wanted to make was with regard to the capital assistance given to private companies. In the auditor general's report we have a considerable list of the moneys which have been given to various private companies, and there are described to us the two methods by which this arrangement is carried out. One method is to advance amounts monthly to satisfy the company's estimated requirements. The company submits estimates, which are certified by the treasury officials, and the estimates include a fee, usually a fixed amount. The list in the auditor general's report refers to that fee, but I notice that in the list there are very few

instances in which the fee is referred to at all; and what we do not know, and what the public most certainly does not know, is how that fixed amount is arrived at. I listened with interest this afternoon to the hon. member for Stormont, and I think that he has gone farther in explaining some of these matters than yet has been the case. I am of opinion that it is a great pity that not until this month of 1943 have these explanations been given, because it is all to the advantage of the war effort that the people of Canada should have explained to them how such matters as the fee and how it is arrived at are arranged for.

That applies also to the third matter which I wanted once more to draw attention to, namely the cost-plus contract. I shall read to-morrow the remarks of the hon. member for Stormont, who dealt to an extent with that matter. When the minister last referred to this question—it has been up at least three times in this house before—he gave an interesting illustration of what happens in the manufacture of a rifle, when he explained how a fixed amount was arrived at, in compensation, shall I say, to the manufacturer of that rifle, and then he explained how from time to time that arrangement is reconsidered and perhaps adjustments take place in the fixed amount. But what I have never been able to understand is how the government, how the minister applies that method to some of the very difficult contracts which have had to be undertaken. I remember that on one occasion I asked him whether that method also applied to the case of a contractor who was building a building or creating some work such as, for instance, building a camp. In my own neighbourhood there is a training camp. It was built by contract. It was extended by contract. Some months later, just across the main road, a brigade camp was built. It was extended. It was extended a second time. And I know perfectly well that the local public have it in for the government all the time because they say that all that was done by cost plus contract. Now the minister has explained that in few cases can he remember a cost-plus contract of the type that the public usually understand by the words "cost plus". He has described how the cost plus a fixed amount is the method usually employed. But what I cannot understand is how the case of a camp covering a pretty considerable quantity of territory, with a considerable number of divergent buildings, which is begun, and then increased, can come under that fixed fee.

[Mr. Stirling.]

In one part of the brigade camp work ceased altogether for a matter of weeks, or it may have been months, in the late summer and fall. It was said that material was short. Great pressure was brought to bear where it was necessary, and just before a particularly severe winter came material was forthcoming and I believe that those camp buildings were finished. But in the work which you arrange with a contractor to do there are serious expenses incurred if delay takes place whether on account of lack of material or for any other cause; and I should like the minister to explain a great deal more fully than he yet has done, in an understandable way for the public, how these fees, these fixed amounts, are arrived at. In that case a contractor is given the contract and his head office is many miles, perhaps hundreds of miles, away. He has to bring machinery; he has to bring certain of his people and a good deal of equipment. Freight is incurred to bring all that in. Is that something which goes into the fixed amount calculation? And what else is there that goes into the fixed amount calculation? Obviously, recompense to the contractor for his overhead and his services. That must all go in. But what a carping public is always ready to seize on, I think, is the opportunity, in calculating that fee, in calculating that fixed amount, to make a good deal of profit which it probably is not the intention of the government should be made.

At the time of the last victory loan it was commonly said all around that interior of British Columbia that it was in these camps that the money on construction was wasted, and I am persuaded that it had its effect on the contributions put up by the individuals in that loan. Whether that is the situation or not, it seems to me that a synopsis, perhaps, of what the hon. member for Stormont said to-day could well be produced and then spread all across Canada for the people to get into their understanding how these calculations are made.

Mr. CHEVRIER: Will the hon. gentleman tell the committee the name of the camp?

Mr. STIRLING: Vernon.

Mr. MacNICOL: I should like to know something about how contracts are let for the construction of buildings, and whether, after a contract is let, anyone, associated with the contractor or otherwise, can take away materials which are shipped to the contract for the job on hand. For instance last night I was called on the telphone and told by a workman who appears to be working around

the John Inglis Company in Toronto that a certain building has been erected there—whether that is so or not I do not know—and that this one and that one are carting away lumber, nails and other materials. Is that possible if the whole contract belongs to the government? It is quite possible, I suppose, if the government has let the contract and the contractor has the right to move anything he likes; but if all material belongs to the government, can anyone take it away easily? Has the department any knowledge or reports of material placed on jobs for the government being stolen or taken away without the right to take it away?

Mr. HOWE: I have carefully noted the various questions that have been asked, and I would be very glad to reply to them at a convenient time. Perhaps I can bring the situation up to date at three o'clock to-morrow, at the beginning of the sitting, and then make a fresh start with other inquiries. I will, of course, reply at that time to my hon. friend's question. The answer depends entirely upon whether the contract has been placed as a lump-sum contract with a responsible contractor. In that case the payment for the completed structure is a lump-sum amount and the disposal of the material is a matter for the contractor. He undertakes to supply the material and the labour and furnish the building according to specifications, and the government undertakes to pay him a certain lump-sum amount for doing so. I am under the impression, without having reviewed the situation recently, that all the buildings of John Inglis have been lump-sum contracts, in which case the contractor is responsible to his own pocket-book for the material he puts on the job. I am not sure of that, but I will get the facts to-morrow and look into it. There are two or three types of contracts, and it is hard to discuss contracts generally without knowing the particular one about which information is requested. Most of the contracts are unit price contracts which are in effect lump-sum contracts where the contractor is responsible for furnishing his own material and carrying out the work on a measurement basis, and there are other contracts, the cost plus fixed fee—

Mr. MacNICOL: In the case of the cost-plus contract anyone stealing material—

Mr. HOWE: —is stealing government material.

Mr. MacNICOL: That would be theft.

Mr. HOWE: Yes.

Mr. MacNICOL: And if particulars are given the minister of a theft of that kind—

Mr. HOWE: We will prosecute immediately.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Wednesday, June 16, 1943

The house met at three o'clock.

MADAME CHIANG KAI-SHEK

ADDRESS TO MEMBERS OF THE SENATE AND OF THE HOUSE OF COMMONS TO BE PRINTED IN OFFICIAL REPORT OF DEBATES

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am sure the house will wish to have as part of the permanent records of its proceedings the historic address which was delivered in this chamber this morning by Madame Chiang Kai-shek. I have spoken to my hon. friend the leader of the opposition (Mr. Graydon), and he has kindly consented to second a motion to this end. I therefore move, seconded by Mr. Graydon:

That the address of Madame Chiang Kai-shek, delivered before the members of the Senate and of the House of Commons of Canada in the chamber of the House of Commons this morning, and the record of the morning's proceedings, be included in the *House of Commons Debates* and form part of the records of this parliament.

Mr. M. J. COLDWELL (Rosetown-Biggar): Could not the several addresses be included in the record? I think for example the address of the Prime Minister and particularly the addresses of their honours the Speakers of both houses, should be included.

Some hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: I thought "the record of the morning's proceedings" would be broad enough to include all that my hon. friend had in mind.

Motion agreed to.

PUBLIC ACCOUNTS

CONCURRENCE IN THIRD REPORT OF STANDING COMMITTEE

Mr. W. A. FRASER (Northumberland, Ont.) presented the third report of the standing committee on public accounts, and moved that the report be concurred in.

Hon. R. B. HANSON (York-Sunbury): I have no objection to this motion, but I should like to point out to hon. members that if this report is concurred in it establishes a precedent, and there can be no objection raised if other contracts are investigated

under similar circumstances. If the contract referred to in this report is investigated, then we may claim the right to have other contracts investigated.

Mr. MACKENZIE (Vancouver Centre): It means that the committee has the right to ask the house for permission. The house is free to take any action it chooses.

Mr. HANSON (York-Sunbury): I make the observation with a view to notifying hon. members that if this report is concurred in, then hon. members are free to ask that other contracts—with the approval of the house, if you wish—shall be investigated.

Mr. MACKENZIE (Vancouver Centre): That is for the committee to decide.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

SUGAR FOR MANUFACTURE OF SOFT DRINKS, WINE AND CANDY

Mr. NICHOLSON:

1. How many pounds of sugar have been used by commercial firms in each of the last five years for, (a) making of soft drinks; (b) making of wine; (c) making of candy?

2. How many pounds of sugar have been used by housewives for canning purposes in each of the last five years?

3. What is the estimated quantity of sugar to be used in 1943 by commercial firms for, (a) making of soft drinks; (b) making of wine; (c) making of candy?

4. What is the estimated quantity of sugar to be used in 1943 by housewives for canning purposes?

Mr. ABBOTT:

1. The wartime prices and trade board has gathered information respecting the amount of sugar used by commercial firms since 1941. Prior to that year estimates were made by the Dominion Bureau of Statistics but these are not on a comparable basis.

	(a) Soft Drinks refined sugar (lbs.)	(b) Wine raw sugar (lbs.)	(c) Candy refined sugar (lbs.)
1941...	91,724,610	12,962,988	65,489,836
1942...	73,075,217	12,077,275	51,222,345

[Mr. R. B. Hanson.]

The consumption of sugar by industrial users has been restricted since July 1, 1942, the general quota for manufacturers of soft drinks and candy being not more than 70 per cent of the quantity used in the corresponding quarter of 1941, although this quota is subject to adjustment at the discretion of the administrator in case of hardship. Allocation for wine making is on a somewhat different basis, because usage in this industry relates to the crop year rather than to the calendar year. Of the total of 12,077,275 lbs. of sugar used in 1942 5,368,552 lbs. were used in connection with the final processing of the 1941 grapes. The allocation of sugar for the 1942 crop was based on somewhat less than 70 per cent of the average grape tonnage of the three preceding crops used in the making of wine.

2. No statistics are available respecting the amount of sugar used by housewives for canning purposes during the years 1938-41. During 1942 housewives applied for and received 106,000,000 lbs. for home canning, which, in view of restricted supplies of commercially canned fruits and jams, is probably the largest quantity of sugar ever used for this purpose.

3. (a) 66,000,000 lbs.
   (b) 9,100,000 "
   (c) 48,000,000 "

4. 100,000,000 lbs.

TRUCKS DELIVERING SOFT DRINKS

Mr. NICHOLSON:

How many trucks in Canada delivering soft drinks exclusively have been permitted to operate beyond the thirty-five-mile limit?

Mr. ABBOTT: The total number of trucks in Canada, used for delivering soft drinks exclusively, for which permits to operate beyond the 35 road mile limit prescribed in section 3 of administrator's order No. A-314 of the wartime prices and trade board were outstanding and current on 3rd June 1943 is 222.

POST OFFICES WITH REVENUES UNDER $25

Mr. NICHOLSON:

1. How many post offices in each province in Canada reported for the last fiscal year revenue, (a) of less than $10; (b) between $10 and $25?

2. How many post offices in each category are situated less than five miles from the nearest post office?

Mr. MULOCK:

	Revenue under $10.00	Revenue from $10.00 to $25.00
Nova Scotia	6	74
New Brunswick	3	39
Prince Edward Island	—	1
Quebec	7	46
Ontario	5	29
Manitoba	—	11
Saskatchewan	3	37
Alberta	—	22
British Columbia	—	8
North West Territories	1	3
Yukon	—	2
Total	25	272

FARM LOAN BOARD—REPAYMENTS BY FARMERS

Mr. FONTAINE:

What were the number and amounts of the repayments made by farmers, in each province, who obtained loans from the Canadian farm loan board, during the years 1938, 1939, 1940, 1941, and 1942?

Mr. ABBOTT: Statement by provinces of the total number of repayments together with amount of repayments received on account of principal and interest of farm loan mortgages for the fical years ended March 31st as shown hereunder:

Fiscal year ended March 31st	Repayments Number	Amount
British Columbia—		
1938	1890	$ 166,671
1939	1820	154,376
1940	1984	178,018
1941	2237	207,510
1942	2435	211,323
1943	2383	282,730
Alberta—		
1938	3411	522,099
1939	4015	601,390
1940	4953	632,935
1941	6138	713,317
1942	6914	862,674
1943	7438	965,126
Saskatchewan—		
1938	1740	209,305
1939	2472	339,001
1940	4272	764,113
1941	4921	658,860
1942	6260	809,399
1943	7170	870,034
Manitoba—		
1938	2177	464,393
1939	2291	390,130
1940	2887	456,405
1941	3594	451,140
1942	5004	643,195
1943	4513	661,813
Ontario—		
1938	1928	182,388
1939	2718	264,813
1940	3519	351,441
1941	4122	465,950
1942	4668	571,855
1943	4550	714,439
Quebec—		
1938	8832	800,147
1939	9135	1,012,998
1940	9582	1,033,895
1941	10455	1,087,542
1942	10225	1,165,755
1943	9509	1,155,314
New Brunswick—		
1938	1575	73,755
1939	1675	75,990
1940	1800	83,808
1941	1755	81,996
1942	2083	107,254
1943	1782	114,138
Nova Scotia—		
1938	1182	69,114
1939	1470	88,445
1940	1751	90,583
1941	2223	104,478
1942	2641	127,948
1943	2769	163,230
Prince Edward Island—		
1938	665	35,285
1939	736	43,544
1940	943	51,111
1941	1081	67,998
1942	1492	81,485
1943	1715	123,308

SUGAR CONSUMPTION

Mr. PURDY:

1. What was the approximate quantity of sugar consumed in Canada during the calendar year 1942?

2. What percentage of this amount was, (a) produced in Canada; (b) imported?

Mr. ABBOTT:

1. 898,821,003 pounds.

2. (a) 25·5 per cent. (b) 74·5 per cent. The percentage of beet sugar distributed in Canada in 1942 considerably exceeded the production due to the distribution of a substantial carry over from the previous year. The average yearly production of beet sugar would not exceed approximately 20 per cent of the total annual consumption.

SELECTIVE SERVICE—PRIORITY LIST OF FIRMS OR INDUSTRIES

Mr. MacNICOL:

1. Is there a priority list or classification of industries or firms for the guidance of national selective service in placing workers?

2. If so, who prepared this list?

3. If a committee, who were the members of the committee?

4. Is priority given one branch of non-war industry over another?

5. Were representatives of various industries consulted?

6. What is the order of priority?

Mr. MITCHELL:

1. Yes.

2. The list was prepared by national selective service, after consultation with the wartime prices and trade board and the Department of Munitions and Supply.

3. The labour priorities schedule is continually being reviewed and revised by an informal interdepartmental committee of representatives of the wartime prices and trade board, the Department of Munitions and Supply and national selective service. The committee is presently comprised of the following persons: Sheldon Ross (Chairman), Acting Chief, priorities division, national selective service. T. H. Robinson, Assistant Director, national selective service. J. G. Fogo, associate coordinator of controls and labour liaison officer, Department of Munitions and Supply. R. G. Barclay, assistant director, employment service and unemployment insurance branch, Department of Labour. H. R. Kemp, economic adviser, Economic Research Branch, Wartime Prices and Trade Board. G. G. E. Raley, director of general supplies, supply division, wartime prices and trade board.

4. Yes.

5. No.

6. The detailed order of priority is confidential and is continually changing as the war production programme requirements vary. Generally speaking, the highest priority is assigned to industries, activities or establishments primarily and directly engaged in the production of combat materials and implements of war. This group is followed by other industries considered to be highly essential to the promotion and support of war production, to the supply of the armed forces, and to the maintenance of civilian economy. Next in order of priority are those industries which are considered important to civilian life, contributory to war production but not vital to the war effort. The lowest priority group are those for which no labour priority is considered to be justified under present circumstances.

[Mr. MacNicol.]

QUESTION PASSED AS ORDER FOR RETURN

RURAL MAIL CARRIERS

Mr. SHAW:

1. How many rural mail carriers have been appointed since January 1, 1942?

2. How many such appointments were made, (a) by the mere renewal of existing contracts; (b) following the acceptance of competitive bids; (c) in any other manner?

3. How many contracts granted under 2 (c), guaranteed payments in excess of two hundred dollars per annum?

4. How many contracts were renewed at a higher rate of payment than that guaranteed in the original contract?

5. What steps are taken to ascertain the probability of any individual, who tenders a bid for rural mail delivery, being able to render essential service for the amount of his bid?

6. What are the arrangements with respect to any rural mail carrier who requests leave of absence to enlist in the armed forces?

MOTIONS FOR PAPERS

INTERNMENTS—CAMILLIEN HOUDE

Mr. LACOMBE:

For a copy of all letters, telegrams, correspondence, memoranda, evidence, reports and other documents in the possession of the Department of Justice, concerning the appeal of Mr. Camillien Houde, heard on the 28th May, 1943, by an advisory board at Fredericton.

Mr. MACKENZIE KING: This motion was called on Monday last, when the hon. member was not in his seat. At the time the Minister of Justice (Mr. St. Laurent) requested that the motion be allowed to stand until the hon. member was here. To-day it happens that the Minister of Justice is necessarily absent from the house, and I would therefore ask the hon. member to allow the motion to stand until the Minister of Justice is present. He wishes to speak to the motion.

Mr. LACOMBE: I understand there is good reason for the minister's absence, and I would ask that the motion stand.

Mr. SPEAKER: Stands.

NATIONAL FINANCE COMMITTEE MEETINGS

Mr. DORION:

For a copy of the minutes and report of the meetings of the national finance committee, which took place in Ottawa on December 9, 1936, and the following days, under the chairmanship of the Minister of Finance.

Mr. ILSLEY: Mr. Speaker, the minutes of the meetings of the national finance committee which took place in Ottawa on December 9, 1936, and the following days, under

the chairmanship of the Minister of Finance were understood to be for the guidance and information of the members of the committee only, and not to be made public.

I have here the first volume of the minutes, and I would quote a few lines from it to bear out my statement:

Hon. Mr. Duplessis: This is a family gathering. We should keep our meetings closed, unless the committee decides otherwise.

Hon. Mr. Dunning: We cannot of course prevent the press from stating what they want to state. The object of having a stenographic report is solely for the convenience of members of this committee, after they return home. It cannot, of course, be completely typed while each meeting is on.

The procedure and the rule agreed on at that meeting was the same as that agreed on at other meetings, several of which were held, between the Minister of Finance and the provincial treasurers. On no occasion, so far as I can ascertain or recollect, were the minutes regarded as anything other than a record for the convenience of the persons who attended the conference. Indeed it was agreed at the meetings that they were not to be made public, but that press statements were to be given out following each meeting. Under those conditions I must take exception to the production of minutes on this motion. If the hon. member would like to have the press statements, which I presume are not adequate for his purposes, there would be no objection to trying to get them together and producing them. But I must take the position, in view of the arrangement with the provinces, thoroughly understood and agreed upon, that the minutes themselves are not producible.

Mr. GRAYDON: I would point out to the Minister of Finance that having quoted from a public document such as this—

Mr. ILSLEY: It is not a public document.

Mr. HANSON (York-Sunbury): Oh, yes.

Mr. GRAYDON: Just a minute; I have not finished.

Mr. HANSON (York-Sunbury): It is official.

Mr. GRAYDON: In any event it is an official document, and in my opinion comes within the rule which states that when any part of a document such as this has been quoted from the whole document must be tabled. Whatever grounds the minister had to sustain his objection are, I suggest, now swept from under him. I think the minister must now table the document.

Mr. MACKENZIE KING: Surely my hon. friend is raising a point in the nature of a technicality.

Mr. GRAYDON: The rules cannot be interpreted as technicalities.

Mr. MACKENZIE KING: It must be obvious that in the conduct of public business unless some documents may be regarded as confidential by the ministry it would not be possible on many occasions to have brought out the full information the government may wish to secure. Many statements are made in much greater detail by those giving information when it is known that their statements will be protected, or where it is certain—or even uncertain—that the documents themselves containing these statements may not be called for. I know what the rules are, and my hon. friend, does too. But in this instance I submit it is quite clear, from the minister's statement, that the document should not be tabled, and I hope my hon. friend will not press the objection he has raised, one which I think really is more in the nature of a technical objection.

Mr. GRAYDON: I wish to thank the Prime Minister at least for having confirmed my position with respect to the rules of the house. I should not like him to take the position that by urging that the rules of the house be followed one is raising an undue technicality. As I see it, the rules of the house can scarcely be placed in that category. The Prime Minister also implied that the information furnished would contain what the members of the committee may have said. My reading of the suggested order is that it calls for a copy of the minutes and report of the meetings of the national finance committee. I submit that is a long way from tabling the transcript of evidence showing what had actually happened. This asks for minutes, and I think they come within an entirely different category.

I still urge that the Minister of Finance might have been on safer ground if he had used a different objection. May I add that on one or two other occasions in the house the government has offered similar grounds for refusing to produce reports. Perhaps on those occasions the grounds were not quite as poor as those we have heard to-day. Nevertheless I say the house and the public are entitled to the fullest information respecting matters of this kind. Surely there cannot be anything extremely confidential in national war savings committee minutes. That committee deals with a matter of major importance, namely the financing of part of Canada's war commitments. With due deference for the Prime Minister's position, I hope he will not press the technicality on that.

Mr. ILSLEY: If I have inadvertently stumbled into an obligation to produce this, I

would submit that the only part that I am now bound to produce is the preliminary statement of the finance minister and the treasurers of the provinces, because at the moment the notes taken of the conference and the statements regarding the findings would not be part of the two documents.

Mr. HANSON (York-Sunbury): That is quibbling.

Mr. COLDWELL: I do not think advantage should be taken of a technicality in connection with the tabling of these documents. The matter should be placed on higher public ground than that. It seems to me that when so many meetings of different organizations are taking place, dealing not with government business, not with private business, but with public business, this house has the right to know what takes place at those meetings. This motion should be carried by the house. The time has come when this house should insist that the proceedings or minutes of bodies dealing with business which affects the public should be considered as public documents and that we in this house should have access to them.

Mr. DORION: Mr. Speaker, I should like to have this motion stand, because I have not been able to catch what has been said in the discussion that has taken place. We are away down in this corner and I did not hear the statement of the minister; therefore I ask that the motion stand until I have had an opportunity to read the statement.

Mr. ILSLEY: To complete the record, I wish to state that in my judgment it is not in the public interest to produce these.

Mr. HANSON (York-Sunbury): That is hoisting yourself with your own bootstraps.

Motion stands.

UNEMPLOYMENT INSURANCE COMMISSION—PREMISES OFFERED BY ALEX HOULE, NICOLET, QUE.

Mr. DUBOIS:

For a copy of all correspondence, telegrams, memoranda and other documents exchanged, since February 24, 1943, between the superintendent of the unemployment insurance commission, Nicolet-Yamaska, and the Department of Labour, regarding the premises offered by Mr. Alex Houle, of Nicolet.

INTERPRETATION OF P.C. 6072

Mr. KNOWLES:

For a copy of order in council P.C. 6702, dated August 26, 1941, together with a copy of the interpretation of said order in council made by treasury board on October 23, 1941; also for a copy of any memoranda or statements explaining the aforesaid interpretation.

[Mr. Ilsley.]

SELECTIVE SERVICE—FREEZING WORKERS TO THEIR JOBS

Mr. KNOWLES:

For a copy of all orders in council, also any regulations, directives or memoranda relating to or setting out the powers of national selective service officers in the matter of freezing workers to their jobs; also for a copy of any special regulations, directives or memoranda in the aforesaid matter issued to the officials of national selective service at Winnipeg.

OLD AGE PENSIONS—SASKATCHEWAN

Mr. NICHOLSON:

For a copy of all correspondence exchanged between the Saskatchewan provincial government and the federal government since January 1, 1943, regarding increasing old age pensions in the province of Saskatchewan.

Mr. SPEAKER: Is it the pleasure of the house to adopt the motion?

Some hon. MEMBERS: Carried.

Mr. SPEAKER: Carried.

Mr. HANSON (York-Sunbury): On previous occasions the government has taken the stand that communications between the provincial governments and this government are privileged, but this motion has passed to-day without any opposition from the government ranks. Where are we now?

Mr. MACKENZIE KING: My hon. friend can rest assured that there will be communication with the provincial government before the documents are tabled.

Mr. HANSON (York-Sunbury): It is an order of the house now.

TRANSATLANTIC AIR SERVICE

ANNOUNCEMENT OF INAUGURATION OF WAR SERVICE FOR MAILS AND PASSENGERS

On the orders of the day:

Hon. C. D. HOWE (Minister of Munitions and Supply): Mr. Speaker, I desire to inform the house regarding the establishment of a transatlantic air service. Arrangements have been completed for the immediate establishment of a Canadian government war-time transatlantic air service to carry mail to and from the Canadian armed forces in the British isles and to transport members of the Canadian armed forces and of Canadian government departments and technicians engaged in the production of war materials. The new war service is not a commercial or a permanent one. It will carry no fare-paying passengers. Space on the aircraft from Canada will be

allocated by the deputy minister of transport in Ottawa; space on aircraft westward by the Canadian high commissioner in London.

The growing strength of the Canadian armed forces overseas and their increasing activities have made it necessary to establish this quick and effective means of communication with the United Kingdom for men and materials. The need for a speedy and regular troops air mail service is particularly pressing. Over a quarter of a million members of the Canadian armed forces are now in the United Kingdom. During the past year, due to lack of space on aircraft, they have unfortunately not been receiving mail regularly and quickly. It is expected that the initial flight of the new service will occur early in July.

Mr. GRAYDON: I concur in what the minister has said with respect to the difficulty of dealing with air mail for those in the armed forces overseas. Does the minister contemplate that this service will take care of all air mail traffic for the forces overseas?

Mr. HOWE: It is intended that the service will take care of all air mail for the armed services, as well as carrying official passengers who may be travelling on government business. It may not be able to do so immediately, but planes will be added until the entire burden can be carried.

[*Later*]:

Mr. HOWE: May I qualify the reply I gave to the hon. leader of the opposition. I said that all mail would be taken care of, but what I intended to say was that all airgraph mail and all armed forces letters will be taken care of. It is not believed that we can at any time take care of parcels.

Mr. GRAYDON: It was just letters I was referring to.

LABOUR CONDITIONS

PROVISION OF RECREATIONAL FACILITIES FOR WAR WORKERS

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): Mr. Speaker, I should like to ask the Minister of Labour if he is able to make a statement with regard to recreational facilities for war workers. I sent him a note on Monday and the minister said he would make the statement to-day.

Hon. HUMPHREY MITCHELL (Minister of Labour): I should like to indicate the general direction in which we are moving in connection with this matter. We shall be in touch with the provincial governments almost immediately asking for their cooperation in promoting recreational facilities for war workers on a shareable cost basis. The provinces, where the need is urgent will be first approached, but all provinces will be offered federal cooperation. I do not think I should go any further at the moment until details have been worked out with the provinces.

Mr. FRASER (Peterborough West): How soon will that be?

Mr. MITCHELL: Immediately.

FARM MACHINERY

COLLECTION OF MACHINERY NOT IN USE FOR DISTRIBUTION TO RELIEVE SHORTAGE

On the orders of the day:

Mr. J. G. DIEFENBAKER (Lake Centre): I should like to direct a question to the Minister of National War Services having to do with the present shortage of farm machinery. A campaign is under way in the United States to collect usable farm machinery not in use and to assemble it under government supervision. It is then distributed amongst the farmers in need of it. Has consideration been given to a similar campaign in Canada? I realize that the quota on farm machinery has been increased but at the same time there will still be a shortage and it could be met in this way.

Hon. L. R. LaFLECHE (Minister of National War Services): Mr. Speaker, I have not heard anything about the subject mentioned by the hon. member, and I am not quite certain that it would properly come under National War Services, but I shall look into the matter immediately.

MOBILIZATION ACT

INQUIRY AS TO CHANGE IN THE REGULATIONS REGARDING STUDENTS

On the orders of the day:

Hon. R. B. HANSON (York-Sunbury): May I ask the Minister of National War Services whether a change has recently been made in the regulations under the mobilization act regarding the definition of students, or is that in process of change? Just what is the present status? Perhaps the question should be directed to the Minister of Labour. If he cannot answer offhand perhaps he will be good enough to answer to-morrow.

Hon. HUMPHREY MITCHELL (Minister of Labour): I shall be glad to look into it and give an answer to-morrow.

DAIRYING INDUSTRY

EFFECT OF RATIONING UPON THE PRODUCTION OF WHEY BUTTER

On the orders of the day:

Mr. G. K. FRASER (Peterborough West): Mr. Speaker, last week the parliamentary assistant to the Minister of Finance stated that he would make a statement this week in regard to whey butter.

Mr. D. C. ABBOTT (Parliamentary Assistant to the Minister of Finance): I hope to be able to make a statement within the next day or two.

THE COMMUNIST PARTY

HOLDING OF A NATIONAL CONVENTION

On the orders of the day:

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Speaker, I wish to direct a question to the Minister of Justice (Mr. St. Laurent) or, in his absence, to his parliamentary assistant (Mr. Jean).

Even though the communist party has been banned by the Minister of Justice, has the minister authorized or will he permit the holding of a national convention by that party on August 21 and 22 next?

Mr. MACKENZIE KING: The question will stand as notice.

NORTHWEST FIELD FORCE

INQUIRY AS TO PENSION OR OTHER ASSISTANCE

On the orders of the day:

Mr. T. L. CHURCH (Broadview): I do not wish to delay the proceedings more than one minute or two, but I have had a request from several members on all sides of the house that fifteen or twenty minutes be allotted some day to the discussion of a pension or some form of assistance to the members of the Northwest field force, many of whom are in very bad circumstances.

Hon. IAN A. MACKENZIE (Minister of Pensions and National Health): Mr. Speaker, item 239 of the estimates deals with pensions to the men of the Northwest rebellion. I think that will be the appropriate occasion to discuss this matter further.

GALLUP POLL

INQUIRY AS TO METHODS OF VOTING

On the orders of the day:

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I wish to ask the ministry a question about this mischievous Gallup poll which is causing a great deal of trouble. Who are the voters in the Gallup poll? Do any members of the House of Commons vote in these polls? They are causing a great deal of dissension and disunity in wartime in this country. I would like to know whether the defence of Canada regulations can be applied to them. Where is the censor? Canada is not going to be talked out of the British empire; Canada will have to be fought out of it.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Tuesday, June 15, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the Chair.

MUNITIONS AND SUPPLY

The CHAIRMAN: Shall item 1 carry?

Mr. PERLEY: The minister was going to answer some questions.

Mr. HOWE: I was asked for a break-down of this item. The total vote for additions and extensions to plants is $195,000,000, of which $150,000,00 is a revote of moneys voted last year for projects which were not finished within the year. The vote therefore for new projects to be undertaken in the year 1943-44 is $45,000,000. There is no large outstanding item in the list, but we are constantly being called upon to convert plants from one type of production to another and to increase the capacity of existing plants. The amount of $45,000,000 is the estimated cost of our requirements in that direction for the present fiscal year.

Mr. HANSON (York-Sunbury): Does the minister call that a break-down? That is just an announcement. What is wanted is a break-down such as we had from the other departments.

Mr. HOWE: It is impossible to give a break-down into particular items, because this is a war situation and we never know in advance what may be required.

Mr. HANSON (York-Sunbury): But the $45,000,000 is not an arbitrary figure. It must be based on estimates put down in black and white, and that I think is what is asked for.

Mr. HOWE: I can give a break-down of last year's vote in this way. For plants owned and operated by the crown we appropriated $18,117,291.01 and spent $12,276,866.62; for government-owned companies we appro-

priated $31,794,329.02 and spent $13,762,413.83; for government-owned plants operated by private companies we appropriated $398,848,051.34 and spent $295,742,378.77; for government-owned aircraft plants we appropriated $7,282,769.37 and spent $4,394,590.64.

Mr. DIEFENBAKER: On which plants were those expenditures made?

Mr. HOWE: They are overhaul plants chiefly, such as the plant operated by Canadian Pacific Air Lines at New Westminster; the overhaul plants on the prairies at Winnipeg, Moose Jaw and Prince Albert; overhaul plants in Ontario, of which there are several, and in the maritime provinces, where there are at least two or three.

Mr. DIEFENBAKER: It did not cover any kind of aircraft plant except overhaul plants?

Mr. HOWE: That is right. Then for additions to government-owned plants operated by private companies we appropriated $53,170,543.50 and spent $21,730,172.94; for government-owned shipyards we appropriated $2,000,000 and spent $1,725,695.30; for government-owned extensions to private shipyards we appropriated $20,824,325.78 and the actual expenditure was $12,221,543.49, which brings the total appropriations to $532,037,310.02, and the total expenditures to $361,853,661.59.

Mr. PERLEY: I understand that the minister is answering several questions now. He stated last night that he intended to answer them.

Mr. HOWE: Yes, I am going to answer a great number of questions as rapidly as I can get along with them.

Mr. HANSON (York-Sunbury): I suggest to the minister that this is a huge commitment and a huge expenditure, $532,000,000 being allotted and $368,000,000 actually expended. The figures which he gave to us are the sum totals only of a substantial number of items, and, they being so large, the committee is entitled to much fuller and more definite information than we now have. I have no doubt the minister has it in front of him. It would be of great advantage if we could know about the spread of this $368,000,000, where it went to, what concerns got it. I have in mind one or two companies which received large amounts of capital assistance but have perhaps made very little progress in production. It is advisable, and I think it would be wholly in the public interest, that before we pass these items we have full information with respect to these allotments of millions.

Mr. HOWE: Well, Mr. Chairman, these items are tabled periodically. The last list of capital assistance to Canadian industries was tabled early in the session and showed the capital assistance given as at December 31, 1942, and is an item by item break-down.

Mr. HANSON (York-Sunbury): That was six months ago.

Mr. HOWE: It is now being brought up to date. It is a great deal of work. But I should be glad to table it as of July first, or we can do it as of the first of June, if that would help hon. members.

Mr. HANSON (York-Sunbury): The house was not in session on the 31st of December.

Mr. HOWE: As of the 31st of December.

Mr. HANSON (York-Sunbury): When was that tabled?

Mr. HOWE: It was tabled early this session in June.

I was asked to give a statement of the reasons for selection of petroleum instead of alcohol as the base for the production of synthetic rubber. As hon. members know, the rubber crisis came on us very suddenly. At the fall of Singapore, or when Singapore was threatened we had occasion for the first time to be concerned about our stocks of rubber. Fortunately we had fairly large stocks on hand, and even larger stocks on order. When the fall of Singapore occurred we had some 21,000 tons in Singapore and Penang. Of course we gave that up for lost, but strangely enough, practically all of that rubber arrived in Canada in due course, some of it after months. One boat had been in Penang harbour loading when the attack on Penang harbour came; it arrived months later with something like thirty or forty shell holes in the hull. It limped along without communicating with anyone and worked its way back into Halifax harbour. That, as I remember it, was a boat owned by the Canadian National Steamships. Other rubber was put on small boats, any sort of craft, and sent to any destination, but it was all billed to Canada and eventually practically all of it found its way here. However, we had to take immediate stock of the situation, and if we were to continue to play a useful part in the war we had to take immediate steps to find a substitute for natural rubber. Our neighbours to the south were in the same position. We pooled our stocks of rubber and we pooled the information as to the best move to make to meet the situation when existing stocks of rubber were to be exhausted. It was decided by consultations in which the best technical men of the United States, joined with the best technical men of Canada, that the only satisfactory sub-

stitute for natural rubber is the type of rubber known as buna-S rubber. It is a compound of two elements, butadiene and styrene. The process is first of producing the two elements that make up that rubber, and then for polymerizing the two into artificial rubber. The best industrial engineers in the United States were engaged to engineer the necessary plans. Arrangements were made that all patents held in the United States for the process would be pooled and made free to both governments for the duration of the war and a certain period thereafter. It was the combined judgment of the two countries that petroleum as a base for butadiene would be the cheapest and most satisfactory.

At the time the decision had to be made, most of the United States programme for production of buna-S synthetic rubber was predicated on use of petroleum as a base stock for the production of butadiene. In order to get the project under way with minimum delay, as part of the over-all north American programme and obtain the necessary priority ratings for equipment and materials which were not procurable from Canadian sources, it was considered advisable to use existing plans, designs, drawings and specifications which had been prepared and developed by the Rubber Reserve Company of the United States.

Extensive development work in the processes involved in the production of butadiene from a petroleum base had been made in the United States, and Canada was offered the use of all information obtained on the same basis as similar projects in the United States.

Canada was given the full benefit of the patent pooling agreements which had been made by the Rubber Reserve company with the companies and industries in the United States whom it was felt were best qualified to help the government overcome the intricate problems which arose out of the manufacture of synthetic rubber on the large scale required for the war programme for the united nations. Under these agreements the processes covered by the valuable patents owned by the Standard Oil Development company covering the manufacture of buna-S and butyl rubber and butadiene, the principal basic material in the manufacture of buna-S, became royalty free for the period of the emergency. A certain percentage—25 per cent—of the materials and equipment required was not obtainable from Canadian sources, and by following the United States programme Canada was able to obtain much specially designed equipment by merely placing duplicating orders with the fabricators. In fact the main Canadian plants are duplicates of the corresponding United States plants.

[Mr. Howe.]

We had at that time no other choice than to go to the United States for the engineering ability and technical skill required in the construction of the necessary plants, and the engineering firms whose services were available were mainly engaged on the petroleum base process.

The main decision made in Canada was to erect a plant capable of producing 34,000 long tons of buna-S per annum and the two basic materials required for its manufacture, namely, butadiene and styrene. Butadiene could be produced either from alcohol or from a petroleum base. The survey showed:

(a) That the total facilities for the production of alcohol in Canada would produce less than one-third of the alcohol that would be required to provide the butadiene equivalent of the rubber required for the Canadian war programme.

(b) That the combined cost of building additional facilities for the production of alcohol and the cost of building plants for the manufacture of butadiene from alcohol, were greater than the costs of building a plant capable of producing a similar quantity of butadiene from petroleum.

(c) That in the cracking processes involved in recovering butadiene from petroleum we could recover ethylene, the principal basic material required for the manufacture of styrene, and could also recover isobutylene, the very cheap basic material used in the manufacture of butyl rubber.

(d) That we could procure the butadiene, ethylene and isobutylene required for the production of 34,000 long tons of buna rubber and 7,000 long tons of butyl rubber without materially detracting from our normal gasoline and oil supplies.

It is generally assumed, I think, that by using an oil base for the production of rubber, the oil so used must be subtracted from the oil available for other purposes in Canada. That is not correct. The part of the oil that is used consists of the lighter fractions that are taken off in the cracking process, and after the requirements of rubber have been obtained there is just as good fuel oil left from the petroleum as would have been obtainable had the lighter fractions not been taken from the oil. The only difference that may be noted in the oil, after the light fractions have been taken out, is that it may not be quite as active in starting a car. The lighter fractions help to liven up the oil in starting a car, but apart from that there is just as good a product, practically as good a gasoline.

(e) That we had in Canada an oil refinery fed by pipe line which would enable us to centralize the operations in one point and be assured of continuous production, whereas production of butadiene and styrene from an alcohol base would be contingent upon having a ready supply of tankers and tank cars.

The projected plan provided a self-contained economical and efficient operation for the following reasons:

(a) The best available location selected provided an adequate area adjacent to one of the largest refineries in Canada, served by water, rail and highway transportation and at a relatively short distance from the plants of the Canadian rubber industry engaged in the production of tires, which will consume about 85 per cent of the synthetic rubber to be produced.

Mr. MacNICOL: How does rubber made from butyl compare with regular rubber in mileage and speed?

Mr. HOWE: The last word about buna-S is not known. It has been produced for only a very short time. Intensive experiments are now going forward and various fabrics are being experimented with but it is believed, from tests made to date, that buna-S rubber with nylon fabric will make a tire that is at least ninety-five per cent as long-lived as the best tire from natural rubber, and it is believed that with further experimentation and the further development of the art a better tire can be produced from buna-S rubber than can be made from the natural product.

Mr. MacNICOL: Forty miles an hour would be quite safe?

Mr. HOWE: Oh, yes; it is a first-class tire.

(b) By extending the cracking facilities of one of the largest refineries in the country, we could obtain the desired quantities of three gases for which a limited use had previously been found, namely, ethylene, isobutylene and butylene, on a relatively low cost basis.

(c) By erecting styrene, butyl and buna-S copolymer plants nearby, these gases can be transferred by pipeline without the costs, complications, difficulties and dangers involved in their transportation by tank cars.

The problems of developing organizations to produce synthetic rubber in satisfactory amounts and qualities and of procuring or training the necessary operating personnel for the various plants in the Canadian project could, for obvious reasons, best be met and solved by following the main lines of the United States programme.

The production of butadiene from a petroleum base did not preclude the possibility of using an alcohol base at some subsequent date, should it be found economical or advisable to do so, but at the present time the low cost of producing butadiene from butane, derived in the oil cracking process, as compared with its cost of production from grain definitely rules out the latter.

It is estimated that the cost of conversion alone in the production of industrial alcohol is approximately 10 cents to 12 cents per gallon from grain. Taking grain at, say, 80 cents a bushel, the cost of production for industrial alcohol from grain would run from 50 cents to 60 cents a gallon. If industrial alcohol is produced from whisky distilleries, the cost may range over 80 cents per gallon. For instance, in order to get our styrene plant into production as early as possible, we have found it advisable to purchase a limited quantity of ethyl alcohol for this purpose. The cost of this material laid down at the plant is 88 cents per gallon and, according to our information, this high cost will have the effect of increasing the cost of finished styrene by about 1,000 per cent. It is estimated that a United States gallon of alcohol yields approximately 2·2 pounds of butadiene and that the theoretical yields of butadiene from alcohol and butane respectively are 59 per cent and 93 per cent by weight, and that the cost of producing butane from industrial alcohol is about three times the cost of production from butane.

In order to equalize these costs, the purchase price of grain would have to be 25 cents to 30 cents per bushel. This is, perhaps, one of the reasons the farm bloc in the United States is not pressing further for the use of grain in the production of butane. Under present conditions it can be applied to many other purposes which will yield the farmer a much higher price.

That is the whole story about the use of wheat for industrial purposes. It can be used for the manufacture of rubber and for other industrial purposes, but to be used in competition with other available substances it must be sold at a very low price, and I am sure no hon. member would wish to encourage the use of wheat which would be predicated on a cost at point of use of from 25 cents to 30 cent a bushel.

In considering Canada's project for the provision of buna-S and butyl synthetic rubbers, it should be borne in mind at all times that the Canadian government owns and controls (a) the plant investment; (b) the operation of the plants and (c) the products and by-products

of the plants. Private interests have only come into the project because the government has enlisted their knowledge, their technical skill and the results of their extensive research and development work. In other words there are no private strings on the Polymer plant at Sarnia, which is wholly owned by the government.

Mr. BENCE: In connection with the very large quantity of industrial alcohol being manufactured at the present time in the various distilleries of eastern Canada, most of which I think is being manufactured from wheat, could the minister tell the house what grade of wheat is being used and what that industrial alcohol is costing per gallon?

Mr. HOWE: I could not say what grade of wheat is used; I presume it is a low grade. Every distillery in Canada is running at full capacity to-day producing industrial alcohol from wheat. As I say, we bought some alcohol from our plants which cost us 88 cents per gallon laid down at Sarnia, but I believe the price at the distillery is somewhere between 72 to 78 cents a gallon.

Mr. EVANS: The minister stated a moment ago that the price of wheat in this connection would be 25 cents a bushel. Is that at the plant or on the farm?

Mr. HOWE: That is delivered at the plant. Perhaps it will be of interest to hon. members concerned with this problem if I table the orders in council having to do with the Polymer project. Therefore I table copies of orders in council P.C. 2369, P.C. 2799 and P.C. 4252.

Mr. DONNELLY: Could the minister tell us about how much alcohol is being made in Canada now?

Mr. HOWE: The estimated production for the year 1943 is 14,000,000 gallons.

Mr. DONNELLY: And that will require about seven million bushels of wheat?

Mr. HOWE: Yes, about that.

Mr. BENCE: Will the minister give some indication of the expansion in connecton with the plants at Sarnia? I believe the one plant is to be ready this fall. Could the minister tell the committee how many plants there will be, and whether it is the intention of the administration to expand production in future?

Mr. HOWE: I have given the estimated production of the plant. Present indications are that the construction of the styrene plant will be far enough advanced to commence the manufacture of ethylene from alcohol by July 1 next, and of styrene at the rate of six thousand tons per year about two weeks thereafter. In other words the styrene plant will be in full operation, we expect, by the middle of July. The copolymer plant can only operate if we are able to secure butadiene from the United States; the butadiene plant will be the last to be finished. If we can obtain supplies of butadiene from the United States we should be operating at about twenty-five per cent of capacity and manufacturing buna-S rubber by the end of August.

Mr. MacNICOL: At how much per pound? What is the estimated cost per pound to the government?

Mr. HOWE: I do not think anyone has an estimated cost to-day. The first large scale operation for the manufacture of butyl rubber came in only about six or seven weeks ago, and it is not operating at full capacity to-day. It will be remembered that there was never a pound of butyl rubber made outside of laboratories or pilot plants, before the fall of Singapore. We are developing a new process and building a plant to carry it out. We are hoping that the price of buna-S rubber will be competitive with that of natural rubber over the average of the years, and perhaps better than that. We think perhaps we can get a better product at a competitive price, but that has yet to be proved.

Mr. BENCE: Do you propose to expand further?

Mr. HOWE: No.

Mr. DONNELLY: You are going to get your styrene by cracking oil?

Mr. HOWE: One component comes from cracking oil, but there are other components which come from nearby plants. I believe they are by-products of the steel industry; I have forgotten just what they are. Styrene is quite a complicated product, though; the one ingredient, ethylene, comes from the cracking of oil. I may add, Mr. Chairman, that the two butadiene units now in the course of construction have been delayed owing to difficulties in securing certain equipment, but it is expected that the A unit, 15,000 tons per annum, will be complete some time in September and the B unit, 15,000 tons per annum, some time in October. So that we should have our plant completed by November 1, and in operation on a full scale basis. The plant at Sarnia was designed to meet the full war needs of Canada, and we expect it to do so. It will not meet the peace-time needs in addition, but after the war is over it will wholly meet the

peace-time needs, with some allowance for industrial expansion. As I say, however, the government is investing between $40,000,000 and $45,000,000 in the production of artificial rubber, and when this programme is finished the government's expansion in that direction will be finished also. If any private industry cares to carry on then, we shall have no objection.

Mr. GRAYDON: What is our usual peace-time consumption of rubber in Canada, does the minister happen to remember?

Mr. HOWE: Yes, it is in the vicinity of thirty thousand tons a year of crude rubber, perhaps between thirty and thirty-five thousand tons. We are making thirty-seven thousand tons of buna-S rubber in this plant and eight thousand tons of butyl rubber. I might add that butyl rubber is not suitable for the outer casings of tires, since it does not withstand abrasion, but it is more suitable than buna for certain other commercial uses. Each is a very valuable rubber for different purposes. Both are chemically pure, and therefore better suited to a great many uses than natural rubber.

Mr. GRAYDON: Then we shall be self-contained so far as rubber is concerned?

Mr. HOWE: Yes.

Mr. GRAHAM: Some few weeks ago the Liberal members from Saskatchewan, who are deeply interested in this question, arranged to meet certain officials of the national research council, and the information the minister has given to-day is the information that we received at that time. I should be glad, however, if the minister would complete his statement in regard to one oft-repeated suggestion dealing with this question of making synthetic rubber from alcohol. I understand that in the United States they are now using both industrial alcohol and petroleum as bases for the manufacture of synthetic rubber. I believe the reason is that the petroleum plants were not capable of handling the total requirements of that country. Would the minister deal with that point, namely as to why the United States is making rubber out of both these basic commodities.

Mr. HOWE: It was realized early that the delay in getting the synthetic rubber programme under way would be in obtaining the cracking units for butadiene. That is the last item on our programme, and it is the last item on every programme. It was known that a butadiene plant from alcohol could be constructed in much less time, and a number of alcohol plants for the manufacture of butadiene were built in the United States, in order to get the butadiene as quickly as the styrene and polymerization units could be used. We hope to start up our plant on butadiene made from alcohol which we will obtain from the United States. Of the plants operating in the United States to-day—I think there are two of them—both will eventually use butadiene made from petroleum, but are operating to-day on butadiene made from alcohol. It is the quick way—although it is expensive—of obtaining butadiene.

Mr. PERLEY: I presume the minister has finished with his explanations respecting the rubber situation?

Mr. MacNICOL: Oh, no.

Mr. PERLEY: Has he anything further?

Mr. HOWE: Several other points were raised.

Mr. NICHOLSON: Last night the hon. member for North Battleford (Mrs. Nielsen) quoted Mr. Dyson Carter. Have any of the officials in the minister's department examined the publication mentioned, and can the minister make any further statement respecting the claims made by Mr. Carter? He seems to be well known as a scientist and an engineer, and there has been considerable publicity in respect of this publication.

Mr. HOWE: The publication of Mr. Dyson Carter has been carefully studied by our experts. We have come to the conclusion that while he may be a very eminent man in certain fields of science, he is not so eminent in the field of artificial rubber. If my hon. friend is interested I should be glad to give him an analysis of the Dyson Carter statement, and the facts which correct the statements he has made. However I do not know that I should take the time of the house in dealing with this, because undoubtedly many hon. members have not read Mr. Carter's statements. They were published in Winnipeg, and were given extensive circulation throughout the west. Those statements were brought to my attention by an officer of the Saskatchewan wheat pool. I had an analysis made by qualified experts, and if my hon. friend wishes I shall be glad to send the information to him.

Mr. NICHOLSON: Would the minister place it on *Hansard*? In view of the fact that the hon. member for North Battleford quoted at some length, I think the house would be glad to have it.

Mr. HOWE: I shall be glad to do so, if I can obtain unanimous consent, and if the king's printer does not object. The statement is as follows:

Comments in regard to the charges, accusations and statements made by one, Dyson Carter, in a publication entitled, "So That Man May Prosper".

The main theme contained in the publication seems to be as follows:

Since butadiene, one of the principal materials required in the production of buna-S rubber, can be produced, either from alcohol or petroleum, and that since we have a surplus supply of grain, Canada has made a grave mistake in deciding to manufacture butadiene from a petroleum base instead of using its surplus grain for the production of this material. That by using a petroleum base, we are unnecessarily consuming valuable supplies of crude oil when we need to make every barrel of crude petroleum available for war purposes. That is the capital cost involved and the material required in the construction of plants to produce butadiene from petroleum is greatly in excess of the cost and quantity of materials and equipment required to produce it from alcohol obtained from grain; and further, that these grain alcohol plants can be constructed immediately in the large wheat growing areas of the country to produce synthetic rubber from wheat as a vital war production measure.

He states that we could produce cheaper rubber by using the alcohol-from-grain process because there are several such processes now "in the course of development" which will lower the cost of production and may be subsequently further improved.

The author of this publication has obviously made considerable study of the subject, but all through the piece he has the habit of jumping to erroneous conclusions and then building up a story of a false hypothesis. In spite of his expressed effort to get at the bottom of the subject and the true facts, he does not appear to have taken the trouble to inquire from any officials of the Department of Munitions and Supply, or of the Polymer Corporation Limited, a crown company formed for the purpose of constructing, equipping and operating a series of Canadian government-owned plants to produce synthetic rubber, as to the basic principles underlying the project or the reasons why they were followed. If he had done so, he would have had to revise a considerable portion of his booklet.

One is inclined to suspect that he was more interested in creating an alarming story which would appeal to sectional prejudice and substantially increase the sale of his publication, than in an accurate presentation of the actual situation. In the course of the article, he raises certain questions and makes an abnormally large number of insidious references for the apparent purpose of leading the Canadian public to believe that the petroleum interests, in both Canada and the U.S., are attempting to secure a monopoly on our synthetic rubber business by what he terms "racketeering and profiteering methods".

The following are a number of questions and statements contained in the publication, with comments in regard to them:

1. "Just who is advising the Canadian government in regard to synthetic rubber production?" (p. 12.)

[Mr. Nicholson.]

If Mr. Carter had really wanted to get an answer to that question it would seem obvious that he should ask someone in the Canadian government who would be in a position to give him an answer.

2. "When the war is over, will the Canadian people be saddled with a rubber industry that requires huge quantities of petroleum imported by the oil trust?" (p. 12.)

If by "requires" he means "consumes", the answer is—No.

3. "Will it operate with excessive costs and profits taken out of the pocket of the man who buys tires for his car, truck and tractor?" (p. 12.)

The answer is again—No. Since the whole project and its products are owned and controlled by the Canadian government, this could hardly be true.

4. "The machinery required to carry them out" (processes for producing butadiene from petroleum) "is costly and difficult to make under present war-time conditions, with an acute shortage of high quality steel. A whole series of plants have to be built to make butadiene from petroleum. To produce from petroleum the butadiene required to make 200,000 tons of buna rubber per year requires equipment costing $650,000,000". (p. 14.)

It is true that the machinery required is costly, but the difficulties of making it at the present time are considerably overcome, as far as the Canadian project is concerned, because we are duplicating, in most cases, equipment being made for similar projects in the United States, which have been fully engineered, designed and fabricated. It is a fact that certain basic refinery equipment is required before the butane can be cracked off to enter a butadiene plant, but where most of this is already available in an existing refinery, as in the case of the Canadian project, the cost of the butadiene plant can be considered separately. Mr. Carter states that to produce from petroleum the butadiene required to make 200,000 tons of buna rubber per year requires equipment costing $650,000,000. In the production of 200,000 tons of buna-S rubber, 150,000 tons of butadiene are required. Canada's project provides for a plant to produce 30,000 tons of butadiene per annum, and the cost of the butadiene plant will be approximately $9,000,000. Five plants with this capacity would, therefore, cost from $40,000,000 to $45,000,000, which is less than seven per cent of the figure quoted by Mr. Carter and rather undermines his argument that the equipment cost for the production of butadiene from alcohol is only one-twentieth of the cost involved in making it from petroleum.

5. "An added trouble is that the oil and chemical companies have been squabbling for years over their countless secret processes and patents for making butadiene from petroleum." (p. 14.)

Mr. Carter, apparently, does not know, or has chosen to overlook the fact that pooling agreements, to which Canada is a party, have been made, under which the patented processes of procuring butadiene from a petroleum base have been pooled and placed on a substantially royalty free basis for the period of the emergency.

6. "It takes about eight months to set up the wheat-butadiene factories compared with eighteen or twenty-four months to get the petroleum butadiene plants operating." (p. 14.)

Mr. Carter completely overlooks the fact that the production of butadiene is only a part of the project involved in producing buna-S rubber. For example, an intricate and complicated plant for the copolymerization of butadiene and styrene into buna-S rubber has also to be constructed and equipped, and although it might only take eight months to set up wheat-butadiene factories, the equipment and its operation are very complicated, on Mr. Carter's own admission; and he further does not take into consideration the time involved in preparing specifications, drawings for and the fabrication of the necessary equipment before it reaches the assembly stage.

7. In his attempt to besmirch the petroleum industry, he refers (p. 15) to an accusation by Thurman Arnold, Assistant Attorney General of the United States, that the Standard Oil Company of New Jersey turned over to Germany a process of making a better and cheaper synthetic rubber out of petroleum. It is assumed that he is referring to the processes involved in the manufacture of butyl rubber. From what we now know on the subject of the production of butyl rubber, if the Germans attempted to follow the original processes for the production of butyl rubber, which, it is asserted, were given to them prior to the war between the United States and Germany, they would not turn out a very satisfactory product. It has taken nearly the past eighteen months of intensive research and development to produce a relatively satisfactory type of butyl rubber. Fortunately, this has now been accomplished by the rubber chemists in the laboratories of the Standard Oil Company and the Humble Oil Company in the United States, but it is hardly conceivable that these subsequent developments are known to Germany. Even if they were, any disadvantages along such lines would be fully counterbalanced by the fact that as a result of the acquisition by the Standard Oil Company of the patented processes involved in the manufacture of buna-S from, I. G. Farben-Industrie, the synthetic rubber industry in the North American continent is now able to use, on a royalty free basis, these patented processes developed by the German Chemical Trust and purchased by the Standard Oil Company of New Jersey at a very substantial cost.

8. Mr. Carter leans heavily on the Baruch report in support of his whole theme and states (p. 16) that according to the Baruch findings, the petroleum interests had greatly exaggerated the possibilities of making synthetic rubber from oil and that the big oil companies were attempting to establish synthetic rubber monopolies after the war by preventing production of synthetics from grain.

The Baruch committee criticized, and perhaps justly so, the early non-use of alcohol processes to produce butadiene in the interests of securing this material as quickly as possible, but Mr. Carter has chosen to ignore certain very important recommendations contained in the committee's report. If he were honestly attempting to put forth the pros and cons of the subject, he would have mentioned that the Baruch committee advocated, in the interests of the early production of buna-S in the United States,—

That no change be made in the programme as then adopted;

That it be pushed forward with all possible speed;

That no new synthetic processes were to be substituted for those approved;

That there should be no delay in getting the greatest possible butadiene production from all sources; and further,

That all methods for the production of butadiene from petroleum and natural gases should be explored.

Mr. Carter also fails to state that the Baruch committee only recommended the production of increased quantities of alcohol for the procurement of butadiene in addition to the increase in butadiene production provided through the refinery conversion programme.

9. Dealing with the Canadian situation, he states (p. 18) it is easy to understand that the Canadian petroleum operators would not want the public to know if Canadian synthetic rubber is to be made from oil because "Canada needs every barrel of available oil for war purposes".

Statements of this nature prove how little Mr. Carter knows of the actual situation, or, if he does know, that he does not hesitate to make erroneous and misleading inferences. The Canadian petroleum operators had nothing whatever to do with the government's decision to produce butadiene from a petroleum base: in fact, the company whose refinery was chosen to provide the basic facilities for cracking off the gases required demurred, considerably, over the prospect of taking any responsibility in the project. Furthermore, the inference that the procurement of butadiene from petroleum deprives Canada of oil for war purposes is entirely incorrect.

10. Mr. Carter asks rhetorically (p. 18), without attempting to answer the question "Is the oil trust going to find some way to import huge extra quantities of petroleum into this country in order to get a monopoly on our synthetic rubber business?"

The answer to this question is—No. One can only assume that Mr. Carter does not want to know the answer.

11. He also asks: "Are we going to make our petroleum problem even more critical by importing oil to make rubber?" (p. 18.)

The same answer can be given to this question as to the previous one.

12. He raises the suggestion (p. 18) that Canada ought to supply the large British demand for synthetic rubber.

That question can be answered by stating that since Canada's project is part of the overall North American programme, and since a very large percentage of the synthetic rubber produced in Canada will be used to manufacture tires and tubes and other rubber products which will be manufactured in Canada and shipped to Britain, the greater percentage of the synthetic rubber produced in Canada will go to meet Britain's requirements.

13. He asks (p. 19): "What prevents Canada from rushing into the large scale manufacture of synthetic rubber from wheat?"

The answer is that we have committed ourselves for a fairly extensive programme for producing the essential requirements from a petroleum base, and while he gibly talks of producing synthetic rubber from wheat, it is presumed that he means producing butadiene from wheat because there is much more involved in the production of synthetic rubber than merely the production of one of its main component materials.

14. He states (p. 19) that "for Canada to go into the manufacture of synthetic rubber from petroleum is not simply a mistake. It is an inexcusable and disastrous blunder".

"It makes us pay much needed Canadian money for foreign petroleum."

It should be unnecessary to refute these statements. Mr. Carter apparently does not even know the basic details of the Canadian project, nor has he taken the trouble to determine them. The statement that it makes us pay much needed Canadian money for foreign petroleum is absurd.

15. He makes the statement that "it (Canada) finances with public funds a wasteful rubber manufacturing industry, one which the Baruch committee exposed as being far more costly than an industry making rubber from farm crops." (p. 19.)

The true facts do not support this statement. Even allowing for a slightly higher equipment cost involved in following the petroleum process, grain would have to be bought at from 25 cents to 30 cents a bushel in order to produce butadiene from farm crops as cheaply as from a petroleum base.

16. He states (p. 19), "not a single phase of this whole question can be neglected."

This statement is fundamentally true and it is by such a policy that the Canadian government and those connected with the Canadian synthetic rubber project have ben guided. Anyone having the history of Canada's undertaking to produce a substitute for rubber for war requirements would know that Mr. Carter has, himself, neglected many phases of the whole question.

In these comments, I have not touched on the transportation problems involved in such a programme as is proposed by the Carter publication. The transportation of grain by boat or rail or butadiene by rail in special tank cars would present many difficulties in the light of the present situation, difficulties which are entirely overcome by the closely integrated project which is now in the course of completion.

Mr. QUELCH: Would the minister report on a statement made by the Doan agricultural service, which I understand is the oldest and largest farm management and appraisal service in the United States? In their publication entitled "Little Journeys to Farm Land", they say:

(a) Rubber can be produced from American agricultural products more quickly than from any other source of material.

(b) The capital costs are about one-half as much for crop-rubber plants as for petroleum rubber plants.

(c) No one knows the large-scale plant operating cost for producing rubber by any process. According to the best estimates agricultural products appear to be fully competitive with petroleum.

(d) The only known-to-be-successful synthetic rubber plants in Europe are based on agricultural crops.

Would the minister comment upon this statement by the Doan agricultural service?

Mr. HOWE: I can only repeat that it is the quickest way to get butadiene, starting from scratch. We examined the cost of facilities very carefully, and, assuming that you must build a plant to make ethyl alcohol, and convert that ethyl alcohol into butyl alcohol, and then into butadiene, we found it a more expensive operation than building a plant to make butadiene from petroleum. A very careful analysis made by the best experts I could obtain in Canada—and including experts associated with our national research council—is that it is competitive, provided wheat can be bought at the plant for from 25 to 30 cents a bushel.

Mr. DONNELLY: The butadiene to be made in the plant at Sarnia is to be from oil.

Mr. HOWE: Yes, that is correct.

Mr. DONNELLY: And the styrene also is to be made from oil

Mr. HOWE: One small component of styrene, namely ethylene, may be obtained from the same cracking process which makes butadiene. But the principal ingredients of styrene are, I believe, a by-product of the coke-from-gas industry and are transported from Hamilton.

The CHAIRMAN: Perhaps the minister would make any further answers he wishes to make with respect to rubber.

Mr. HOWE: If there is to be any further debate in respect of rubber, then it might be well to finish it now. If we can confine ourselves to a discussion of rubber, I shall be glad to answer any other questions.

Mr. DIEFENBAKER: What proposals or schemes are there for the disposal of these plants after the war? I have in mind the Sarnia plant, for instance, and other additions. In the course of his remarks he said that the Sarnia plant, with perhaps extensions or additions, might be sufficient for peace-time needs. I think we should know now what is planned in that connection. It must have been canvassed and considered, otherwise the minister would not have been in a position to make that statement. I have reasons for asking this question, because, in addition to the fact that the government is advancing from $40,000,000 to $50,000,000 to this plant, the people of Canada have a right to know now the government's policy in respect to these plants. I realize an opportunity has not yet been given to the minister to reply to certain questions I asked the other day. I believe the rubber question might be separated from questions connected with government advances to other corporations. I say that because a few nights ago the hon. member for Saskatoon City (Mr. Bence) referred to a statement

made by a consulting chemist of the Dow Chemical company. That statement has received wide circulation and to my knowledge has never been denied or answered by any governmental authority either in Canada or the United States. The statement was made last February before the Minnesota bankers' association, and was to the effect that the outstanding reason for not proceeding with the production of rubber through the use of alcohol manufactured from wheat, and the like, was that some arrangement had been made between the oil companies and the united nations with south African countries, whereby provision was being made now, or had been made under unpublicized treaties, for the destruction of all United States synthetic rubber plants after the conclusion of the war. That has been given wide publicity. According to the minister it will require considerable expenditure to produce rubber from an alcohol base; nevertheless it would build up an industry in war time which would be beneficial in peace time and give Canada an opportunity to dispose of her surplus wheat. Is there any foundation for the statements made by this gentleman? What are the official plans for the disposal of these rubber plants? Does the government intend to turn them over to private industry, or does the government intend to operate them as government enterprises after the war?

Mr. HOWE: I read the statement of the man who my hon. friend says is an official of the Dow Chemical company. I do not believe he is an outstanding official of that company.

Mr. DIEFENBAKER: He is a research consultant.

Mr. HOWE: He is not an executive of the company; he is a research consultant. I was consultant to a great many firms, and I presume this gentleman is a consultant to the Dow company and many others. I do not think it is the duty of a public man to deny everything he reads in the papers, especially statements by a man he never heard of. I have said already that the plant at Sarnia is exclusively the property of the government of Canada; it will be operated by the government of Canada; its products will be at the disposal of the government of Canada; they will be owned by the government of Canada and will be sold in the interests of the government of Canada. So far as I know that situation will continue indefinitely. I know of no change that is contemplated. Governments come and go and policies change with different governments. What the next government will do, I do not know, but it is the intention of this government to continue to operate the plant at Sarnia to make rubber for the country at war and the country at peace.

Mr. DONNELLY: Do I understand the minister to say that alcohol made from wheat costing $1 per bushel will cost something in the neighbourhood of 75 to 80 cents a gallon?

Mr. HOWE: At the distillery.

Mr. DONNELLY: In normal times alcohol is made from molasses?

Mr. HOWE: Yes.

Mr. DONNELLY: For about what price?

Mr. HOWE: I think 25 cents is a good price for alcohol in peace time, although it may be less.

Mr. DONNELLY: I understand that it could be made in peace time for about 15 to 20 cents.

Mr. DIEFENBAKER: While it may not be the custom of the minister to deny what appears in the press, has he any knowledge of any such treaty?

Mr. HOWE: No.

Mr. KNOWLES: The minister has just said that the plant at Sarnia is being operated by the government and that it is the intention of the government, at present at any rate, to continue to operate it. A few minutes ago the minister tabled certain orders in council which have to do with the plant at Sarnia. Some weeks ago these orders and some others were tabled in response to a question of mine. I have not that sessional paper here, but my recollection of the situation, after studying those orders in council, is that the government owns the Polymer Corporation and that the government, through the minister, appointed the directors who are in charge of the plant on behalf of the government. I understand that they serve without fee. As I recall the orders in council, these directors have reported back to the government from time to time and have made certain recommendations. I think it was in April of this year that the directors recommended that the operation of this plant should be turned over to Imperial Oil and its subsidiaries. As I say, I am speaking from memory. Perhaps I should have said that the directors recommended that this government owned company ask Imperial Oil and some of its subsidiaries to come in and operate the plant. Some of us have the fear —the minister may not like our being suspicious in this way—that if Imperial Oil is called in to operate this plant during the

course of the war, when the war is over Imperial Oil will be the only ones who really know anything about it. There would then be a very good chance of their getting control of the plant, unless steps are taken now to guarantee that it will continue as a government owned and government operated plant. I shall be glad if the minister will correct me if my story is not correct.

Mr. HOWE: The cracking process for making butadiene requires oil technicians. Imperial Oil are represented on the board of a company subsidiary to Polymer which is in charge of that operation. The officers of that company and the employees of that company are on the government payroll. Imperial Oil is assisting the government to get that branch of the business under way. Naturally you cannot pick men off the street who know how to crack oil to get the light fractions such as are used to produce butadiene. Imperial Oil are furnishing certain technical assistants, but they are doing it for government account.

Mr. COLDWELL: Are those men on leave of absence?

Mr. HOWE: They are engaged by the government. Many men have come there direct from the universities to be trained, and they are government employees. The Dow Chemical company, who are experts in the production of styrene, are sponsoring operations at this plant in a similar way. They are furnishing the technical experts and have designed that section of the plant. They are training government employees in the manufacture of styrene. The four rubber companies which are the principal users of the product of this plant for the manufacture of tires and other products have joined together to take over the direction of a subsidiary company of Polymer which is operating the polymerization plant. Here again the employees are government employees, the rubber companies simply giving technical assistance to that branch of the enterprise. I may say that the Polymer corporation, which is a wholly government owned corporation—

Mr. MacNICOL: Is that at Sarnia?

Mr. HOWE: The whole operation is at Sarnia. The Polymer corporation owns the property, is responsible for the operations, and will be responsible for the sale of the product. It is a government owned corporation, responsible to the government.

Mr. COLDWELL: What are the relationships between the other companies referred to and Imperial Oil? The St. Clair Processing company was one, I think.

[Mr. Knowles.]

Mr. HOWE: That is the subsidiary of Imperial which at the moment is responsible for the operation of the butadiene end.

Mr. COLDWELL: I believe another one is the Canadian Synthetic Rubber company.

Mr. HOWE: That is the subsidiary formed by the rubber companies to assist the government in the polymerization process.

Mr. COLDWELL: As I understand it, these companies have lent the government certain technicians.

Mr. HOWE: That is right.

Mr. COLDWELL: And the government has taken into these plants a number of young scientists from the universities who are being trained as technicians.

Mr. HOWE: That is right.

Mr. COLDWELL: If I understand aright there will be a competent staff trained by the technicians which in the event of the country desiring to continue the operation of this plant, apart from Imperial Oil or the Dow Chemical company, will be available.

Mr. HOWE: Oh, yes.

Mr. COLDWELL: I am glad to get that assurance from the minister.

Mr. SHAW: Many of us are intensely interested in the experimental work being carried on to produce alcohol from wheat. I have read from time to time that certain distilleries, particularly the larger ones, have been carrying on this kind of experimental work. Has that work been done with or without government financial assistance? If with government financial assistance, under what terms and conditions is the assistance given? Can the minister tell us what quantity of Canadian wheat was used last year in the production of alcohol?

Mr. HOWE: Experiments have been carried on both by the distilleries and by scientific laboratories. Ontario government laboratories and our own national research laboratories have conducted quite extensive experiments in converting alcohol into butyl alcohol. I think that the experiments by the distilleries have been conducted at their own expense. It is pointed out by all that it is a difficult process. The bug that operates on wheat to convert it into butyl alcohol is a very delicate creature requiring great quantities of stainless steel to house the process. At one stage we tried to get the distilleries to make butyl alcohol with their present equipment but were assured that they could not do so and that

reconstruction of the distilleries would be necessary to convert wheat directly into butyl alcohol suitable for butadiene.

Mr. MacNICOL: Mr. Chairman, I think the minister deserves a good deal of credit for what he has already done in trying to bring about the production of rubber in Canada. I am going to ask him to go one step further and during the time that the whole process is under construction, and after it is in operation, to have government auditors make a survey of the exact cost of each process which enters into the construction of rubber in Canada. There is no certainty that after the war we shall be able to obtain raw rubber from Malaya. We read quite frequently that just before the Japs are kicked out of Malaya they will destroy the rubber forests. I hope that will not be so, but they may do that, in which case we shall not be able to obtain rubber from that source. The government is now financing rubber factories, I presume at very heavy cost—I am not blaming the government for that—and that is why I make this suggestion. I am informed by a steam-fitting company which I have known for many years that during the erection of the plant in Sarnia pipe-fitters had to be brought from across the line. That may or may not be so; I do not know. But I was told that these pipe-fitters were paid a very high wage or salary and were paid in United States money, or in Canadian money plus the exchange. I asked how much they drew and I was told that one man drew over $180 in one week for pipe-fitting. That might have included overtime and everything else. Naturally the minister would want to have this plant in operation in the shortest possible time, and to do that the men would have to work overtime. Therefore I am not blaming the minister for the high costs. But assuming that the costs were high, I hope that a careful check will be made by auditors so that if it is necessary for Canada after the war to keep these plants in operation our own tire factories may be supplied with rubber at a price which the government itself will know is reasonable. I am in favour of private industry because I believe that private industry will produce goods at less cost than the government can. Private industry runs its business on a business-like basis. Governments cannot. They have to stick this man in here and that man in there, and that cannot be avoided. But if a careful audit is made of those plants which may continue to produce rubber after the war Canadians will not have to pay too much for the rubber we need.

The more I look into it the more I am amazed at the phenomenal capacity of the Germans in invention. If they had only used their great brains for the world's good, instead of, as they were, producing and inventing for war purposes, how much better it would have been for themselves and for the world! I believe it was Doctor ter Meer who discovered the process of making butadiene from oil. He had his process well developed by the early twenties, at which time Germany was producing oil from coal. It is amazing to me what a long line of products Germany has produced from coal, not only rubber, oil, and explosives—I believe toluol, which forms a basis of TNT, has been produced from coal—but several other products. The German government discovered that rubber could be made from coal through chemical processes, and then what did they do? They brought about the erection of a plant in 1937 to produce 30,000 tons of rubber a year. Another plant was erected in 1939 to produce 30,000 tons of rubber a year, and another of the same capacity was erected in 1940. They were setting out to destroy the world. That was the motive behind their inventions. I think in peace time we can make good use of these inventions.

I should like to find out from the minister what is the connection between those who are producing rubber, or the basis of rubber, at Sarnia and the Standard Oil company. The Standard Oil company owns the patents for America of the process. If on account of the war they are not charging for the use of these patents any more than the mere cost to themselves, that is all right; but if they are charging exorbitant prices for the use of these patents we should know it. They put up a pilot plant at Baton Rouge, and, according to evidence given before a committee of the United States senate, were producing by 1941 eighteen tons of butadiene per day; that is really 7,000 tons a year. On the basis of their costs in their pilot plant at Baton Rouge they took a contract from the United States government to supply 40,000 tons at 13·6 cents per pound. I should like to know what is the difference between the cost of butadiene per pound and of the finished rubber per pound. Then I should like to know if the government is keeping accurate audited costs of these plants that are being erected, and if it proposes to keep accurate costs of the finished rubber per pound produced by the goverment plants, so that the Canadian people will be defended against exploitation after the war and rubber will be sold at the right price. Because I am of the opinion that if the Japanese destroy the rubber forests of Malaya before they retire from that country—as we hope they will be forced to do—our Sarnia plant will prove a great advantage to Canada and incidentally bring

much credit to the industry for having erected it there. The butyl, of course, is made from alcohol and can be made from oil of coal.

Mr. HOWE: No, it is not made from alcohol. That is, it will not be so made here.

Mr. MacNICOL: The Germans say it can be.

Mr. HOWE: Yes, it can be.

Mr. MacNICOL: I agree with what has been said, and I close by expressing the hope that if after the war Canada is compelled to manufacture synthetic rubber from either buna-S or butyl, the minister—and if he undertakes to do it nothing will stop him—will thoroughly consider what has been suggested, and what I have suggested before, that a plant be put up in the west to produce butyl from alcohol. It is the duty of us all to try to free the west from the unhappy consequences of the depression. If a small plant could be established there to use 25 or 50 million bushels of wheat a year in the development of butyl for the production of rubber, we are in duty bound to assist the west to that extent. Certainly the plant at Sarnia will have all it can do to take care of eastern requirements.

I should like the minister to say whether records have been kept as to the cost in advance, to protect the future selling price of rubber to the Canadian people, and I should like to know about what time Canadian users of tires may hope to be able to buy tires made at the plant at Sarnia.

Mr. HOWE: Most careful accounts are being kept of the expenditures. Both the Polymer company and the treasury have cost accountants on the work at the present time. Of course this is an expensive period to build anything, but I think, having that in mind the plant is being built economically. I know of no pipefitters being brought across the line. The Dow Chemical company, our engineers on the styrene plant, may have brought across a few expert foremen to handle the piping. As my hon. friend knows, a chemical plant consists almost wholly of high pressure piping; it is a specialist's task, and I am not saying that men may not have been brought across the line, though I have no knowledge of it. The wages paid at Sarnia are the wages set by the Department of Labour for the various trades; so far as I know they apply to all the employees on the job. The cost of building at the present time is higher than the cost of building in peace time; how much higher, I cannot say. This is specialized work: every piece of material in the plant has to be specially designed and built. I will say this, we shall try to produce rubber at a competitive price, and as a government operation. If there is no other rubber about, it might be good business for the government to sell at a competitive price in any event, whether it can be produced at a competitive price or not; that is a matter for the future.

I have given a lot of study to the manufacture of synthetic rubber and I am confident that we are building an industry which will be effective in peace time as well as during the war. It may not be producing exactly the article that is produced to-day. But when we cast our minds over the great list of products made to-day from the light fractions of petroleum—items of great use in our civilization—I am certain that we are not building a plant at Sarnia with any prospect it will be closed when the war is finished or when natural rubber comes back into free supply from other countries.

Mr. MacNICOL: After the war how will the government or the Canadian people be protected against any exorbitant price which might be charged by Standard Oil—I do not say that they will attempt to impose one—for the processes used in the production of rubber? The company control absolutely the hydrogenation process and the catalytic cracking process, and anyone wishing to produce rubber will have to obtain the right from the Standard Oil, because they received it under the Hague convention of 1939 and they promised to hand it out. But shall we be protected from an exorbitant price for their process?

Mr. HOWE: Yes, Mr. Chairman. All the patents having to do with the manufacture of butyl rubber or buna-S rubber have been pooled with the United States government, and Canada has been included to share with the United States the right to these patents. I would not care to give the house the exact terms, but they are the same for Canada as for all plants being built for the United States government. My recollection is that no royalty is payable during the war and for a certain period thereafter, and that after that there is a royalty payable which has been agreed upon by the United States, by the subsidiaries, and by Canada.

Mr. MacNICOL: Per pound?

Mr. HOWE: I could not say. I do not recall the terms of the agreement, but we have an agreement. It is the same agreement as the United States government has, covering the patents of this process for peacetime use.

Mr. KNOWLES: I should like to refer for a moment or two to the question of the operation of the plant at Sarnia. We were discussing it a short while ago, and the minister and I differed as to the terms of the order in council, which neither of us had before him at the time. I have since looked into the matter, and I have before me a copy of the order in council to which I referred and a copy of the other orders in council dealing with this matter. In P.C. 2799, April 8, 1943, there appears, after the statement that the committee of the privy council have before them the report of the Minister of Munitions and Supply, the following:

That the company reports that
(b) Arrangements have been made with Imperial Oil Limited and its subsidiary, St. Clair Processing Corporation Limited, Dow Chemical Company of Canada Limited, and Canadian Synthetic Rubber Limited, for the operation of the respective units being constructed.

I am alarmed at the wording of a previous order in council, P.C. 2369, of March 27, 1942, which was the order in council that set up the Polymer Corporation Limited, setting out its general terms. Part of the order in council is schedule A, the memorandum of agreement, in which we are advised regarding the functions of the Polymer Corporation Limited. I read, in section 1, subsection (a):

The company will forthwith proceed to acquire, construct, instal and establish the necessary land, buildings, machinery, equipment and plant . . . for the manufacture, production and storage of synthetic rubber.

I call attention to the significant omission from this original order in council of the word operation. Polymer Corporation Limited was set up to acquire, construct, instal and establish the plant, but no mention is made that Polymer corporation, which is owned by the government, should operate the plant. Then thirteen months later the company recommends to the government that the companies which I have named should operate the respective units being conconstructed, and P.C. 2799, of April 8, 1943, approves the recommendation that these companies operate the plant.

Another sessional paper, which was brought down in response to questions of mine, gives us the names of the president, the vice-president, the managing director and the directors of Polymer Corporation Limited. They are: R. C. Berkinshaw, President; D. W. Ambridge, Vice-President; J. R. Nicholson, Managing Director; W. R. Campbell, A. C. Guthrie, A. J. Crawford, G. A. LaBine, and Colonel A. L. Bishop, directors. I will not read in full sessional paper No. 388, to which I am referring, but it shows that these men I have named hold the offices indicated, and that many of them are directors of other companies. It is the usual who's who of big business, and here again is the story of a group—

Mr. HOWE: What big business is Mr. Crawford in?

Mr. KNOWLES: Well, since the minister has asked I will give the details:

R. C. Berkinshaw is general manager and treasurer of the Goodyear Tire and Rubber Co. of Canada Limited. He is a director of the following firms or corporations: Goodyear Cotton Co. of Canada Ltd.; Toronto Elevators Limited (vice-president); Easy Washing Machine Co.: Ltd. (vice-president); Crown Trust Company; Polymer Corporation Limited; Mutual Life Assurance Co. of Canada.

D. W. Ambridge is assistant general manager of the Ontario Paper Company and is now on loan to the Department of Munitions and Supply as director general, naval shipbuilding branch. He is a director of the following firms or corporations: Polymer Corporation Limited (vice-president); Best Yeast Company.

Wallace R. Campbell is president, treasurer and director of the Ford Motor Company of Canada, Ltd. He is also a director of the following firms or corporations: Ford Motor Co. of Australia Pty. Ltd.; Ford Motor Co. of New Zealand Ltd.; Ford Motor Co. of South Africa Ltd.; Ford Motor Co. of India Ltd.; Ford Motor Co. of Malaya Ltd.; Polymer Corporation Limited.

A. C. Guthrie is president of Simmons Limited, Canada. He is a director of the following firms or corporations: Simmons Limited, Canada; Simmons Limited, U.S.A. and its subsidiaries (director and vice-president); The Murphy Paint Co. Limited, Montreal.

A. J. Crawford is employed by Sheet Metal Workers' International Association and as a director of Polymer Corporation. He represents the Trades and Labour Congress of Canada. He is a director of no other firm or corporation.

G. A. LaBine is president of Eldorado Gold Mines Limited. He is also a director of the following firms or corporations: Eldorado Mining and Refining Limited; Gunnar Gold Mines Limited; Howey Gold Mines Limited; Pan-American League Against Cancer, Inc; member of the board of governors of the University of Toronto; Polymer Corporation Limited.

Col. A. L. Bishop is president of the Coniagas Mines Limited; Coniagas Reduction Co. Ltd.; Sturgeon River Gold Mines Limited and The Consumer Gas Co. of Toronto. He is a director of the following firms or corporations: Coniagas Mines Limited; Coniagas Reduction Co. Ltd.; Sturgeon River Gold Mines Ltd.; Consumer Gas Co. of Toronto; Coniaurum Mines Limited (vice-president); The Manufacturers Life Insurance Company; The Toronto General Trusts Corporation; Imperial Bank of Canada; Anglin Norcross Corporation Ltd.; Anglin Norcross (Ontario) Limited; Canadian General Investment Limited; Canadian Locomotive Co. Ltd.; Commonwealth Electric Corporation Limited;

The Consolidated Mining and Smelting Corporation of Canada; Toronto Shipbuilding Co. Ltd. (crown corporation).

J. R. Nicholson is managing director of Polymer Corporation Limited. Formerly Mr. Nicholson was deputy controller of supplies in the Department of Munitions and Supply. Other directorships—none.

I submit that, in the light of this information, the hon. member for Lake Centre (Mr. Diefenbaker) and I, though we may not want the same set-up after the war, are equally entitled to some more definite statement as to what is to happen to these plants at that time. I am not for the moment entering into a discussion of the merits of producing rubber from alcohol or oil, and I am not to be taken as at all deprecating the fact that a synthetic rubber plant is being built. All power to the minister in getting rubber produced. But I am concerned about the set-up which I have outlined. First, we have a company set up, and emphasis is placed on the fact that it is a completely government-owned company and that its directors serve without fee. But as you read the orders in council you discover that the company was given all the functions connected with getting the plant started but not the function of operating it, whereas thirteen months later the company, consisting of the directors whom I have just identified, recommends that the operation of the plant be carried on by the companies that I have named: Imperial Oil Limited and its subsidiary, St. Clair Processing Corporation Limited, Dow Chemical Company of Canada Limited and Canadian Synthetic Rubber Company Limited. Some of us have the genuine fear that when the war is over these are the companies which will be in virtual possession by reason of the fact that they will know how to operate the concern, and there is every possibility that what should continue as a government project after the war—that is just as important then as it is now—will pass out of the government's control.

Mr. HOWE: To me one of the discouraging features of public life is the objection that certain members have to using the experience of men who have gained that experience in the hard way and have emerged as successful men of business. I wonder who my hon. friend would choose to be directors of a great corporation responsible for spending some $40,000,000. I think each of us is wise to follow his own experience. I have been a professional man all my life. I have learned how to do certain things by doing them, and by doing them repeatedly. I have done more work, perhaps, in the building of grain elevators than in any other branch of engineering, and I can tell my hon. friend that the last grain elevator I designed was vastly better than the first one; it was less costly to the owner and more efficient, and that was the result of my experience gained in doing the same work repeatedly.

When my hon. friend and various others rise in their places here and say we should have farmers, and we should have labour men, to direct these corporations, let me tell him that in the days of my private life farmers were my surest clients. The farmers do not do the things certain people in this house say we should do. When farmers spend the money of farmers, they choose men who have experience in doing the thing they want done. When the farmers wanted to build a terminal grain elevator they would come to me, because they knew I had built grain elevators, and they felt that I could give them value for their money. That is the view the farmers have taken; and I can tell you I admire them for the fact that any dollar they spend of cooperative money is well and carefully spent, under expert guidance. And they are not particular how much they pay for that expert guidance; they are willing to pay the current price in order to get the best advice available. That has been my experience in my own professional life, in spending the government's money. I have been spending other people's money for a great many years, and I know it has to be spent carefully. When I was made responsible for spending a few billion dollars belonging to the people of Canada, I got the very best advice I could get in the spending of that money. I have put in charge of every operation, for which I have been responsible to the people of Canada, the men best qualified by experience, and by having done similar work, to look after that operation. I am not apologizing to anyone in this house for having done that. It is all very well for a man of my hon. friend's experience to rise in his place here and sneer at people who occupy positions of trust in this country, but those are the people on whom I am banking. If I have made any success in handling my present portfolio, it is because I have been able to command the services and the devotion of those people in the job I have in hand. So that I wish my hon. friend would discontinue that line of cheap, soap-box oratory in this house.

Mr. KNOWLES: On a question of privilege, Mr. Chairman, my remarks have been referred to as sneering. I wish to state to the minister that I have not objected to his—

Some hon. MEMBERS: No reply there.

The CHAIRMAN: Will the hon. member please come to the point of privilege?

Mr. COLDWELL: Mr. Chairman, I rise to a point of order. The hon. gentleman raised a question of privilege, and was interrupted; you were about to rise, Mr. Chairman, and before you do so I want to discuss a point of order. Have I your permission to do so? I take it that the hon. member has a right to rise and object to his remarks being termed sneering, or to its being said that he has been guilty of soap-box oratory.

Some hon. MEMBERS: Oh, oh.

Mr. COLDWELL: Hon. gentlemen opposite may laugh now, but in a little while the laugh may be on the other side of the mouth. I should like your ruling, Mr. Chairman. Has the hon. gentleman the right to discuss the question of privilege arising out of the remarks of the minister?

Mr. ROSS (Moose Jaw): On the point of order, the hon. gentleman was not discussing a matter of privilege; he was starting to reply to the minister.

Mr. COLDWELL: Why should he not?

The CHAIRMAN: On the point of order, of course a member of the committee has the right to rise and ask to speak to a question of privilege.

Mr. KNOWLES: I wish to point out that at no time did I object to the minister engaging men of experience for the work that is his responsibility. What I was objecting to in this particular instance was that he had not done the very thing he mentioned in the closing part of his speech; that is, he did not himself fully arrange for the operation of this plant. A company was set up; it was given certain functions, but it was not given the function of operating the plant. These men whom I have named have recommended other companies not mentioned in the first order in council to operate the plant; and when I gave the list of their business connections I did so to indicate that I was not surprised that these men had made such a recommendation.

Mr. DIEFENBAKER: In making the statement that the rubber corporation set up by the government will operate after the war, I think the minister has made an epochal announcement. In effect, it means that this government corporation is to be operated after the war by the government, by reason of the fact that the commodity it produces is one that is as necessary in time of peace as it is in time of war, and one which, after the war is over and the Malay peninsula is recovered, may well be scarce for some years. I should like the minister to tell the committee whether or not the decision to operate this industry is the result of an agreement with the other united nations through the joint production board. Does it represent a decision arrived at by those in positions of responsibility in the united nations, such as he occupies, that after the war plants producing certain commodities, such as rubber, magnesium, aluminum and the like, because they are required in peace time as well as in war time, shall be operated by the state?

That is a very important question, for recently, as I mentioned the other day, the national planning board of the United States indicated that there was a very large body of opinion that such crucial commodities as I have mentioned might be manufactured after the war in a partnership between private enterprise and the government of the day. So that the fact that to-day in this house, for the first time, an announcement has been made of a decision by the government, either in cooperation with the other united nations or of itself, that it is going to operate at least this industry after the war, is most significant. I would ask the minister when replying to answer the questions I asked the other day respecting war industries. What decision has been arrived at as to the disposal of other war industries, either through sale, lease or joint operation, and what provision is now being made or has been made with regard to the conversion of war-time industries to peace-time industries? From what the minister has said it is apparent the government has made some decision with respect to the rubber industry.

I pointed out the other day that during war time the government had advanced to industry over $860,000,000. That is a tremendous amount of money, and I should like to know whether a decision has been arrived at with respect to the general post-war policy. I know, as the minister has pointed out, that it would have to be changed in certain particulars. However, a final decision has been made with respect to rubber, and I should like to know what decision has been made in connection with the aircraft industry, or others one might mention.

These are matters of great importance. In addition to Polymer Corporation Limited, I would point out that there are other crown corporations, and we would like to know what the decision has been with respect to them.

The CHAIRMAN: It would seem that we are not making headway, nor shall we do so if

we continue to discuss the whole realm of munitions and supply under the heading of rubber.

Mr. DIEFENBAKER: I appreciate what you say, sir, but my aim in asking the question at this time was to have it dovetail with the discussion on rubber.

Mr. HOWE: I like my hon. friend's sublime confidence that this government will carry on indefinitely after the war.

Mr. DIEFENBAKER: They should make decisions now.

Mr. HOWE: I think it might be answered, logically, that the policy of the government in this regard will be made known in due course.

I might point out, however, that up to this time the function of the Department of Munitions and Supply has been to win the war. We have not built plants with one eye on the post-war world. We have built them because they were required for the war, and only for that reason. We never had a double purpose in building plants. Of course rubber is vital to the war, and also to the post-war period, and perhaps it is unique in that respect. The source of natural rubber has gone—for how long we do not know.

The joint production and resources board examined the needs of war, so far as rubber was concerned, and undertook to plan for the production of that rubber, including the requirements of Great Britain and other allied countries. When the full programme is completed, that will have been provided. Canada took its share of the programme, and undertook to supply its own requirements. The 45,000 tons which will be produced in Canada will supply Canada's war requirements in full, and is somewhat more than the pre-war peace-time requirements. We were interested especially in supplying war-time requirements in full, and it is only incidental that those requirements happen to be a little more than our peace-time requirements.

The hon. member asked me about the future Polymer Corporation Limited. I advised him that the government had no plans, other than to operate the plant as a government property, and that it should be operated by the government during the war and during the peace. Governments change their plans. Any government plan can be changed in very short order. It is quite possible that in the peace-time world, when war considerations have no meaning, this or some other government may decide another policy for the plant. That is the privilege of the government of the day, in any event. Naturally, I am not attempting to commit the government now.

[The Chairman.]

The hon. member for Yale (Mr. Stirling) asked about the future of Citadel Merchandising Company, Limited. The Citadel company was formed to do a war-time job, namely, to find great quantities of machine tools, in bulk. It was quite impossible for individual companies to function in buying machine tools to meet their individual requirements. It was decided that all requirements should be pooled, and that the Citadel company would operate and pay for the pool. It is very fortunate that arrangement was made, because through the Citadel company we got our machine tools, and got them with reasonable expedition.

To-day the Citadel company has pretty well completed its function of buying machine tools, but at this time it is the custodian of some $150,000,000 worth of machine tools, and moves them from plant to plant as required. To-day it is the source of a great saving to Canadian industry, by having possession of a pool of machine tools which can be used by industry as a whole. I assume that after the war the position of the Citadel company will change again. It will probably be the custodian of machine tools owned by the government. How soon they can be liquidated, or what will be done with them, I do not know. Obviously, however, the Citadel company was built up to serve war-time requirements, and will gradually disappear, as it can liquidate its war-time assets.

The hon. member asked about Cutting Tools and Gauges Limited. This company offered a way of filling cutting tools requirements and arranging for their manufacture in Canadian factories. As my hon. friend knows, the value of cutting tools is nil, after they are worn out, or are not required. It would seem that that would be a company very quickly liquidated after industry gets back to a point where it can look after its own cutting tool requirements.

Then the hon. member asked about Research Enterprises Limited. This is a unique company, and was built to fill a position not filled by any Canadian operation. It was built first to manufacture optical glasses by a process worked out by the national research council, and to manufacture certain secret instruments developed by the research council. It still fills a unique spot on this continent, and has expanded enormously owing to the fact that it was built to pioneer in fields of activity in which other companies were unwilling or unable to operate.

I cannot say now what the future of Research Enterprises Limited would be in the post-war period. Obviously the manu-

facture of optical glass should and no doubt will continue after the war. Certain other processes which have been worked out for war processes have great peace-time value, such as the adaptation of radar equipment to peace-time purposes, and arrangements may be made to carry on Research Enterprises. I cannot say at this time whether it will operate as a public or private company.

There is one difficulty about operating under public direction. I think the government corporations and the crown companies are the most efficient plants we have to-day, but I would ask hon. members to keep in mind that these plants are being operated by the cream of Canadian industrial talent. We have persuaded men with interests of their own to give part of their time, often a considerable part, to operating government-owned plants or to act as presidents or directors of government-owned companies. I doubt very much if it will be possible to obtain that kind of service in peace time. These men are doing their jobs to-day as war jobs, and when the war is over I presume that they will wish to return to their own businesses. Therefore, the question of operating a publicly owned plant in peace time is quite different from operating a publicly owned plant in war time, and that must be kept in mind by any government when planning a post-war world.

At the moment we are studying what the plants can be used for, that is, what a plant making war materials can make in the way of peace materials. We have directed our studies to that rather than to how the plants will be operated after the war, whether privately or publicly. I think that is secondary and must be governed by the day to day facts. I do not think it is of great importance fundamentally, or at least it does not seem so to me. Since I came to the government in 1935, I have taken publicly-owned plants that were being operated badly and have sold them to private interests. I have taken plants from private interests that were being operated badly and have made them into government-owned plants.

Mr. DIEFENBAKER: What public plants that were not being operated properly have been sold to private interests?

Mr. HOWE: I would mention the Sorel shipyard for one. My hon. friend was not in the house at that time. There have been others, all in the pre-war period. I have taken over a good many privately owned plants to be operated as publicly owned enterprises and I think they are being operated better to-day than they were when they were privately owned. I believe I have done more than any man in the history of Canada to put the government into public ownership. I am not studying that problem at the moment. I do not know whether two years after the war all the plants that are now publicly operated will be publicly operated. I think it will depend a great deal upon whether they can be publicly operated successfully and efficiently. If they can, there may be no other reason for making other arrangements. If they cannot, it would certainly be in the interests of any government to see that they are placed in private hands for operation.

Mr. PERLEY: When the committee was about to adjourn last night I gave way to the hon. member for Yale (Mr. Stirling) who made a very good contribution to the discussion. There was more meat in what he said in ten minutes than there has been in what has been said in an hour or two on other occasions. At that time I intended to make a few observations with respect to the minister's estimates. One of the matters I had in mind was synthetic rubber, but knowing that the minister was going to deal with this matter to-day, I gave way.

I think it is evident from the questions I have asked with respect to the production of alcohol from wheat, that I am just as much interested in this as any other hon. member. The minister has given us some interesting information this afternoon with regard to the production of rubber from alcohol made from wheat and from petroleum. He went into great detail with respect to the whole problem. His statement that the government will continue to operate the plant at Sarnia for a given term in order that the Canadian people may be supplied with rubber at a fair price was most encouraging. He stated that under an agreement with the United States authorities the patented formula being used for the production of synthetic rubber will be available to this plant for a given time even after the war. I know the minister will be able to operate this plant successfully. He has already stated, and I think rightly so, that he is an adept at choosing the right men for the right jobs. If he chooses the right men to carry on this plant he will be able to produce rubber at a fair price.

The information he gave about the cost of producing rubber from alcohol and from petroleum was most interesting. He has told us that with wheat at eighty cents it would cost about fifty to sixty cents to produce a gallon of alcohol. Then he went on to say

that in order to equalize this cost with the cost of producing rubber from petroleum, wheat would have to be sold for twenty-five cents a bushel at the plant. I do not think there are any farmers in western Canada who will be anxious to sell their wheat at twenty-five cents a bushel or to pay fifty cents a gallon for alcohol. The minister may not have intended to use it in that way, but the figures he has given prove conclusively that the production of rubber from petroleum is the best method. He said that all methods had been thoroughly investigated and that no other course was open to the government than to go to the United States for the raw material. Another interesting point brought out by the minister is the fact that the production of synthetic rubber from butadiene does not decrease the amount of gasoline which may be extracted from the petroleum. Did I understand him correctly?

Mr. HOWE: That is right.

Mr. PERLEY: Then I think the minister should consider the development of oil from the tar sands of Alberta as well as from the oil wells that are now in production in the west. Synthetic rubber could be made from this petroleum without decreasing the amount of gasoline that could be produced. We understand that the production of synthetic rubber from alcohol made from wheat is still in the experimental stages. If these experiments are continued, it may be that a process will be discovered of producing alcohol at a lower cost, which would permit paying a better price for the wheat used.

This concludes my remarks with respect to rubber, and I trust that to-morrow I shall be able to make a few observations on the minister's general statement. The information he has given the committee this afternoon has been of great value and has enabled many of us to understand more clearly the synthetic rubber situation.

Mr. COLDWELL: I, too, think that the information we have received from the minister this afternoon is valuable and will enable us to review the whole situation of the manufacture of synthetic rubber in a way in which we could not have done without that information. I have read a great deal on the subject, and I must say that the minister's figures this afternoon rather nonplussed me. I felt that a great deal of the information I received from other sources must have been based on premises entirely different from the minister's. The more we can have of discussion of this sort, the nearer we shall get to the truth.

There is one other thing I wish to say. The minister spoke with some heat of criticism. I am not blaming him, but I think it is well that those of us in this house, realizing the magnitude of the organization over which the minister presides, should scrutinize with great care every order in council and every contract made by the government. I share some, in fact all, of the suspicions of the hon. member for Winnipeg North Centre. It has been shown by past experience that it is not wise to place in positions of almost absolute control men whose economic associations are such that they are to a large extent governed by them.

When the minister and also the hon. member for Winnipeg North Centre were speaking, there flashed vividly to my mind an incident that occurred in this building less than two years ago, when an outstanding business man connected with one of the great organizations in this country doing war work suggested that it might be wise now to prepare for the post-war situation, particularly regarding government-owned companies and government-owned machines. The suggestion was made that ways and means should now be devised of salvaging this equipment in order that, when the war ended, these new war industries would not interfere with vested and established industry in this country. The further suggestion was made, and there are hon. gentlemen here who will remember it as well as I do, that the same committee of business men might also concern itself with the formation of tariff policies to protect Canadian industry when the war ends.

Mr. HOWE: Who said that?

Mr. COLDWELL: I will tell the minister afterwards.

Mr. HOWE: Was it said in this house?

Mr. COLDWELL: Within this building. I will tell the minister after the house rises. One cannot put that out of one's mind. When we look back at the history of this country over a period of sixty or seventy years we see great natural resources which have been alienated and the building up of great monopolies. It is all very well for the minister to say: We are at war now; we are not fighting combines. I agree. But I think the government could take control out of the hands of those who control the combines, while still retaining the technical men and using their technical ability for the good of the country. It is not a question of breaking up the organization in the middle of the war. It is a question of protecting Canada when we can against the dangers that beset the people of this country. Let us bear in

mind that when we raised this sort of question in the house before the war we were told: This is not the time; we are in the middle of a great depression and we want to encourage business enterprise to meet the difficulties of this depression. Now it is the war. The leader of the opposition said yesterday: What would you do about it? Well, a day or two before the war broke out, we said what we would do about it, and this is what we have repeatedly urged in this house. On September 9, 1939, I said in this house:

> A capital gains tax, properly applied, would prevent fortunes being made out of the agony of the present crisis and provide a large revenue. As we have so frequently urged in this house, the manufacture of arms, munitions and war material should be nationalized.

We said that nearly four years ago, and when we raise that again to-day we are told that we should not bring these things into the discussion because we are now in the middle of a war. I know it is said that we are radicals. I am not ashamed to be called a radical. I saw an article on radicals yesterday in a very conservative paper, and I use the word in all the meanings of the term. I refer to the Montreal *Gazette*. Some hon. members may have read this article by Dorothy Thompson. She says:

> What this country has needed for a long time is radicals in positions of responsibility. I am using the word "radicals" in its exact meaning—of one who goes to the roots of things.

That is what we mean too. She goes on:

> The word has fallen into misuse. All who wanted to take radical action have been considered as "subversive elements". But neither surgeons nor good gardeners are subversive elements, though, if they are any good, they are radical. I tried to teach radicalism to a 13-year-old boy this morning, in connection with the preparation of a bed for seedlings. I told him that unless he spaded the ground deep, cultivated it twice, raking it repeatedly until the soil was pulverized, he would spend the rest of the summer trying to get out the witch-grass without injuring the plants; whereas if he did it properly his work would be largely finished, once and for all.
>
> But the boy was a liberal. He wanted to arrange everything on the surface; rake the fresh and pulverized soil over the clods and appoint a new committee when the weeds came up again. Any other procedure he regarded as exaggeration.

We want to go to the root of these things. We say to the minister that we admire the work he has done in this war. We know his great abilities, and we are not questioning them at all; but as I said once before in this house, the organization that he has gathered round him, representing the great economic interests of this country and with insufficient representation of the ordinary common people of this country, may menace this country when the war is over. That is the point we want to make and drive home. That is why we raise the questions we are raising in the house at the present time. I rose just to say that, because I wanted to keep the record straight. We feel that it is the duty at least of this part of the opposition, and I think it was indicated this afternoon that other parts of the opposition felt the same way, to look into every phase of every contract and every order in council that may be passed right up to the end of this war.

Mr. HOWE: I just wish to say to my hon. friend that I am a technical man and he is a professional man, but my experience leads me to believe that business men are necessary, too. If this company tends to operate as a public trust, I think we are very well advised to let business men run it, because their training and the training of technical or scientific men are poles apart.

Progress reported.

On motion of Mr. Crerar the house adjourned at 5.45 p.m.

MADAME CHIANG KAI-SHEK

Address of Madame Chiang Kai-shek to members of the Senate and of the House of Commons in the House of Commons Chamber, Ottawa, Wednesday, June 16, 1943, at 11 a.m.

Madame Chiang Kai-shek was introduced by the Right Hon. W. L. Mackenzie King, Prime Minister.

Hon. James Allison Glen, Speaker of the House of Commons, presided.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker of the Senate, Mr. Speaker of the House of Commons, Honourable members of both Houses of Parliament: Our country is honoured today by the presence in its capital of a gracious lady who is one of the great personages of the world.

To Madame Chiang Kai-shek I extend the sincerest of welcomes on behalf of the government, the parliament and the people of Canada. We welcome Madame Chiang for what she is in herself. We welcome her as the devoted wife of Generalissimo Chiang Kai-shek, the great leader of the republic of China. And we welcome her as the interpreter of the needs and the virtues of the patient and heroic people of China, the first great power to resist axis aggression.

I should like to thank Madame Chiang anew for having promised, some little time ago, to visit Canada before her return to China; and for having consented, while in Ottawa, to

address the members of Canada's parliament from the floor of its House of Commons. Madame Chiang was obliged to postpone her return to her homeland for some weeks in order that her health might permit her to fulfil the promise she had made. We are deeply conscious of her kindness in so doing.

Madame Chiang speaks today, as it has been given to few individuals in all history to speak. She speaks for the struggles and sufferings, and equally for the highest aspirations, of an ancient race. She speaks for an immemorial culture. Combining with dignity and grace, great spiritual courage, she stands in our midst fully mindful of the toil and sacrifice which, over many cruel years, she has shared with China's valiant defenders. No recital of the noble qualities of her mind and heart could add to the respect and admiration with which we receive her in our halls of parliament to-day.

The inspired leadership of Generalissimo Chiang Kai-shek and his brilliant wife personifies the spirit of China's fight for freedom—freedom not only from aggression, but from all the forces of evil. Moreover it is freedom not for China alone, but freedom which, through understanding and mutual aid among men and nations, will further the well-being of mankind throughout the world. Generalissimo and Madame Chiang Kai-shek voice and exemplify the spirit which animates the defenders of freedom everywhere.

We would ask you, Madame Chiang, to carry to the Generalissimo the expression of our high regard for him, and the assurance that the people of Canada have unreservedly joined with the people of China in putting forth their utmost effort to destroy the evil forces that now seek to dominate the world.

We should like you to tell the men and women of China how unbounded is our admiration of their unswerving fortitude. Their uncomplaining courage has not been surpassed in the annals of human resistance. Canada, in common with all the united nations, is increasingly conscious of the debt that freedom owes to the unconquerable spirit of China.

We are proud to-day to recall that within the expanding circle of the united nations, Canada and China, through the exchange of ministers, have strengthened the ties of friendship between our two countries.

It is the earnest hope of all Canadians, Madame Chiang, that to you and to the Generalissimo may be granted the health and Divine guidance which will enable you together to continue your magnificent work for the unity of your own country and the liberation of all its people.

[Mr. Mackenzie King.]

Our prayers are joined with yours that the day may not be far distant when China, wholly free, may take her rightful place among the free nations of the world.

Hon. J. A. GLEN (Speaker of the House of Commons): Madame Chiang Kai-shek, Mr. Speaker of the Senate, honourable members of both Houses of Parliament: In these war days this parliament has in its deliberations and affairs created many precedents, and to-day we are making further progress. Never before in our history have we heard the voice of a woman, not a member, address us from the floor of the House of Commons. The occasion which provides so unique an event must have attributes and meanings so outstanding and so deep as to render this gathering appropriate and most befitting.

In all grave crises in national and international affairs we have seen great figures and great personalities arise who seem to embody in themselves the issues to be decided. History abounds with such figures. In the records of this present struggle, to the generic term "mankind" must be specifically attached the term "womanhood". Certainly in no other war of magnitude has the power and service of women been so universally employed, and inevitably there have arisen women leaders and world figures who by precept and example have set the standard of devotion, duty and sacrifice—safe guides in an unsafe world. Our distinguished guest to-day is one of those great world figures.

Madame Chiang Kai-shek has honoured us by her presence and it is our privilege to receive that honour. During almost six years she has borne the toil and sorrow of unceasing warfare. She has lived in her country occupied by a remorseless foe who has inflicted on her beloved people unparalleled barbarities. Yet, through it all she has kept alive the high spirit of her people in a manner truly amazing, commanding the wondrous admiration of the whole world. Her very presence with us to-day is an illustration of the spirit which has sustained her through those years which the locusts have eaten, the triumph of mind o'er the ills of the body.

Honourable members of both Houses of Parliament, it is with modest pride that I, a mere mortal, present one of the immortals, Madame Chiang Kai-shek.

MADAME CHIANG KAI-SHEK: Mr. Speaker, Mr. Prime Minister, members of the Senate and members of the House of Commons: I deem it a privilege and pleasure to be here in your midst to-day, for I have been long looking forward to visiting you and your

country. I am conscious of the honour of addressing your parliament, because your national assembly, as an institution, dates back in unbroken lineage to that ancient and worthy institution, the Anglo-Saxon witenagemot. It is an institution which has proven its mettle in weather fair or foul. Parliamentary government to you and to me means that it is built on the basic laws of the land and the common consent of the people carrying out a policy within the mandate given by the people. Based on this authority of ancient usage and the legislative enactment of the supreme authority in the state, we have custom which connotes "unwritten law," and law which is "written enactment." I think it was well put when a great Roman writer of the first century B.C. said: "A people is not an assemblage of men brought together in any fashion but an assemblage of multitude associated by consent to law and community of interest."

We would all agree that a truly parliamentary form of government is the most nearly-perfect system of government human reason could ever evolve. And we say that parliamentary government is run by the "rule of law." In other words, it has its foundation on immemorial custom and right reason. No single individual, no group, no class is above law. Parliament has final competence in expressing law and men can only be punished by breach of law. In this way every individual citizen is within the framework of the law and is thereby protected.

But these ideals and principles were not immediately practised upon their formation; rather they came into being through the passage of time. If we remember, there were indeed fearless men who did not hesitate to speak out their convictions through the centuries. In the sixteenth century, Sir John Elliott, in his celebrated impeachment attacking the favourite minion of Charles I, compared Buckingham to Sejanus. To us, whether Charles I was implied to be a Tiberius or not, matters little. What stays our attention is the implicit demand that a minister should possess the confidence of parliament.

Whatever we may think of Milton's unprincipled opportunism in vacillating between Cromwell and Charles II, we must recognize that Milton did contribute to the fight for the principle of freedom of speech as seen in his "Areopagitica." Much later the *Quarterly Review,* the *Westminster Review,* and the *Edinburgh Review,* as exponents of freedom of speech, grew and flourished and became journals of excellence. They achieved their great purpose inasmuch as they brought public questions before a wide audience. The public became conscious of affairs outside the compressed bounds of their personal lives and voluntarily absorbed their accepted discipline as a great power in the world. Men like Wilberforce and Buxton took their stand and worked against slavery and advocated the freedom of man.

Others like George Grote and John Stuart Mill worked for the freedom of institutions. These are merely a few names amongst the many social and political reformers of your great mother country. I need not, however, tell you that it was due to centuries of incessant struggle by your people against the strongly entrenched absolute powers of unreason that your present parliamentary system of government came into being.

It may be interesting to contrast the system of parliamentary government with axis tyranny which once threatened to engulf the civilized world, and to examine the fascist philosophy and see wherein it differs fundamentally from yours.

Germany during the Weimar republic had all the outward "appearance" of a democracy, but it degenerated and became extinct after an existence of less than two decades. In its place grew up a demoniac Mephistopheles nurturing persecution and miasmic hate. That such a retrogression could take place shows that the majority of the German people were not aware of the true essence of a constitutional form of government and that the integrants of making it a lasting and true democracy were wanting. Some people conjure that democracy implies that individuals may be allowed to engage in activity even when it is directed against the interests of the state. Others regard democracy to be "a charming form of government full of variety and disorder." By permitting activities subversive to democratic ideals that nation denies to itself the right of self-defence, while those who think that chaos lends charm to democracy deny to democracy the right of self-preservation.

Never for a moment should we confuse democracy with ochlocracy. Democracy is disciplined self-rule. Democracy may be likened to beautiful architecture; for every part of the tracery and sculpture, supreme in its individuality, claims a permanent place on its own merit and then surrenders it to the entire composition thereby enriching the whole and relieving it from the tameness of mere qualitative perfection. Ochlocracy, on the other hand, is but the inchoate rococo of mob rule bred on febrile emotions and unrestraint.

Present-day Germany has become an immane dictatorship because it precludes the right of the governed to forensic dialectics.

The fascists believe that a preponderance of force constitutes all legal requirements and justification of a government. They have dragooned and deluded the people into a belief of superstition in the infallibility of their leadership. They have refused the people the right to challenge the fallibility of men holding power in the government. We of the united nations, on the other hand, accept the challenge of query permitting divergent views the right of discussion so that all ideas in the deepest recesses and nethermost corners of the human mind are reexamined and weighed; for we think that this is "a method which produces a better average of humanity and the most scientific of despotism".

Besides the excellent pattern of parliamentary government which Canada represents, I am impressed by the fact that here in your country one finds the greatest example of two steadfast peoples, the French and the British, who in the history of their development of the country were not unmarred by wars and who have now come to live side by side as one people in concord and harmony. In achievement the descendants of the French settlers, as well as those of Anglo-Saxon origin, have contributed in full measure to the progress and prosperity of Canada. This record is indeed noteworthy.

When a part of your vast country was colonized in its early days, the French colonial authorities of Lower Canada instituted in every parish a militia captain chosen from among the "habitants". True enough, this nominee was appointed by the governor. But the commissions were given or withheld according to whether people approved or rejected the nominee at the regular Sunday assembly. That was an outstanding example of public representation, a practice to follow the will and wishes of the people. The natural good manners, social ease, and never-failing liveliness characterizing the French people made them eminently suitable for the adventurous life of early colonizers. One never fails to be reminded in one's travels in the United States that such names as Detroit, St. Louis, Vincennes and Louisiana all bear impress of the adventurous spirit of the French Canadians. The coureurs de bois with their fortitude and understanding of the Red Indians instilled into the new continent a priceless heritage—the opportunity of liberty. The French peasants who came to Canada with their frugal traits worked up to become landowners. Here it was not uncommon for the lord of a manor, his lady and his children, to toil together in the fields. They developed respect for labour and, unlike some countries of the time, they did not look upon manual work as degrading but rather as the natural expression in which every man must participate, and recognized that every labourer is worthy of his hire. Such was the levelling influence of frontier life.

The Gallic church also played a large part in the development of your country. Some of the most colourful and glorious chapters of Christian missions began in North America. The Jesuit priests were explorers, cartographers and teachers. It was Pere Marquette who with Louis Jolliet explored the Mississippi. It was the Catholic Fathers who produced the first maps of lake Superior in 1671 and the northern parts of Michigan and lake Huron. It was the Jesuits who first preached Christianity among the Hurons and aspired to convert and civilize the whole continent of Red Indians.

I recall also the intendant, Jean Talon, who was blessed with vision and foresight. Not content that a few people should profit by the land of milk and honey, he advocated the idea that Canada should be opened up to take the pressure off the increased population in Europe, the great majority of whom were then living in squalor and poverty further accentuated by heavy taxation raised to finance the private wars of kings and princes motivated by selfish ambition of aggrandizement.

Canada, and the world as well, owe a debt of lasting gratitude to men like Poulett Thomson, the first Baron Sydenham, for his wise statesmanship in adopting moral suasion rather than brute force in carrying out his policy during his tenure of office as Governor. Later, Lord Elgin, while representing the crown in Canada, accepted the Liberal party in the formation of the Canadian cabinet, thereby recognizing responsible representative government. Since then your country has made steady and logical progress in unity of government, and your people have evolved cohesion of purpose and action so that to-day you are an effective member of the united nations in the fight against aggression.

In my address to the Congress of your great neighbour, the United States, I mentioned that in the common interest of the united nations, Japan must not be permitted to have undisputed possession of the territories she has seized in China and elsewhere, for with the help of time, she is accumulating added resources to continue the axis war of aggression. The material she has commandeered during the past twelve months reaches staggering figures. From occupied territories within the great wall of China, on the average, every month, three million two hundred thousand tons of raw materials were shipped

to Japan, whilst two million eight hundred thousand tons were shipped from the occupied territories in Manchuria to Japan. In addition, each month, she transported from territories inside the great wall, two million three hundred thousand tons of material for the heavy industries she is building in Manchuria and other parts of Asia. In short, within the last year, Japan has seized and carried away, in round numbers, one hundred million tons of raw material for the use of her armed forces. This figure does not include the foodstuffs her army in China's occupied areas consumed. The importance of driving Japan from China can be further seen when we consider that from Malaya, Japan, the past year, had only shipped approximately six million tons, the ratio of about one to sixteen as compared with what she appropriated from China. She is continually consolidating her position as a vicious world threat and increasing her exploitation of China's resources aimed at the united nations.

My country, China, for six years has hung like a millstone around the neck of the Japanese military, and has succeeded in preventing Japan from utilizing several millions of her armed forces and workers in other parts of the world. With ill-equipped men we have fought with small arms, flesh and blood, and the will to battle. Until a few weeks ago, the Chinese army never had the sort of consistent air protection necessary for even small-scale offensives. The fact that our army with the help of a few planes in the combined American and Chinese air forces was able to rout the enemy in the last upriver Yangtze invasion proved conclusively that comparatively, much can be done with comparatively little. The danger to China and to the united nations, however, is not past; the magnificent will to resist of the Chinese people and army implemented only by inadequate fighting material must not be strained beyond human endurance, for if Japan should succeed in subjugating China, the repercussions to the cause of the united nations would be the greatest cataclysmic disaster civilization has yet to face.

Like that of China, the contribution which Canada has made to our common cause has not been of the spectacular. I am constrained to say that those of Great Britain and the United States as well have rarely been in that domain. Yet we must realize that it is not the occasional brilliant strokes which determine victory; it is the steadfast performance of preconceived plans in strategy backed by the willingness to contribute ungrudgingly to the common effort that will tip the scales. We should constantly bear in mind the fact that contributions to ultimate victory must not be evaluated by the ephemeral criterion of the spectacular. The accumulated heroism of your commandos, the large amount of foodstuff and munitions which your country has sent to England, the manner in which you have utilized your air bases for training of allied effort, and the fact that per capita Canada has produced more for the war effort than any other member of the united nations are indicative of Canada's will to fight to victory.

There are few new doctrines in the world. In fact, to my mind, we do not need any new doctrines but we should see to it that every worthy doctrine is fully developed and practised. In the same way, we should not sit and hope for a fortuitous concourse of events to creating a better world after the war, but should have the moral courage to strike out and explore the possibilities of making a better world. Caraffa (Pope Paul IV) was once told by Cardinal Pecheco of the corruption around him. Far from resorting to anger, he examined the situation and took steps to eliminate those who were responsible for the evils. He was not afraid to rise above the melee surrounding him; he fought against favouritism and won the battle of the will to righteousness.

There are some skeptics to-day who regard all post-war world collaboration with the eyes of cynics. Bacon, a nationalist of the exclusive school, lacked a sense of statesmanship; for he did not realize, as we do to-day, that rulers and statesmen owe allegiance to civilization and to humanity at large. To-day his well-known maxim: "The increase of any state must be from the foreigner; for whatever is somewhere gotten is somewhere lost," sounds to those of us who have the slightest inkling of economics to be risible although his logic to like minds may have seemed to be irrefutable. Compare him to Grotius his great contemporary, and you will immediately understand what a part vision and imagination can play.

If we but possess the pertinacity to bring it into being, what was yesterday regarded as the impossible becomes to-day the reality. In the middle ages, I may point out, papal bulls of excommunication, bloody wars in determining the true Catholic faith, religious pogroms and inquisitions impoverished and tore Europe asunder. What could seem more inconclusive than a question which involved the arbitration of men's souls? Who could have thought, nay, dared hope, that movements of reformation could finally materialize with the religious peace of Augsburg in 1555?

Again, the British North America Act in 1867, providing for the federation of Canada, was thought by many at the time to be alienating Canada from the British commonwealth. In reality it forged stronger bonds of affection and ties between Great Britain and your country.

The world to-day is once more at the crossroads. Let us realize that in planning for a post-war world the transient assets of a policeman in the Hobbesian sense given world-wide application will be far from adequate unless we actualize it with the fundamental and the positive. Should not we of the united nations also strive for foresight and exercise understanding so that the vanquished will be treated as neighbours and as fellow beings while punishment should be limited only to the perpetrators of this war?

Indeed from Canada, through your welding successfully two peoples into one strong and harmonious nation, the world has much to learn in universal brotherhood. The touchstone of human greatness lies in cooperation and collaboration, the antitheses of domination and exploitation of one people by another.

Speech delivered by the Honourable Senator Thomas Vien, K.C., Speaker of the Canadian Senate, on the occasion of the visit of Madame Chiang Kai-shek to the parliament of Canada, Ottawa, Wednesday, the 16th of June, 1943.

Madame,

Your coming to America has captivated our minds and delighted our hearts. In our annals we had already written your name down as one of the eminent women who throughout the ages have brought blessings and honour to mankind.

You have been named "the Joan of Arc of the East" and, like our own valiant Maid from Lorraine, you suddenly appear "because the times are hapless and there is much sorrow in the fair land of China!" Your career is one of simplicity and grandeur, a career that would be handed down to posterity as a splendid legend were it not so real. It is also your mission to drive out the invader and to wage war beside your husband, the illustrious generalissimo, whose chivalrous qualities remind us of Roland, Duguesclin and Bayard, while your own services to your sorely tried people recall the virtues of Jeanne Mance, Marguerite Bourgeoys and Florence Nightingale.

Endowed with a keen intellect and a warm heart, you have not hesitated to jeopardize your life that you might make your appeals to the united nations for justice and liberty, and for that purpose you have come from China that lies across the Pacific—the venerable ancestor of world civilization.

[Madame Chiang Kai-shek.]

While the splendours of Egypt, Greece and Rome were disappearing in the mists of time, China pursued its steady course through the centuries, even assimilating those invaders who had, at times, succeeded in retaining a foothold in the land.

Your people have been an ingenious people. It was they who more than four thousand years ago invented the compass, and discovered the means of making silk. It was they who nine centuries ago invented gunpowder. They devised and used the printing press long before Gutenberg. Three thousand years ago, they were familiar with music, architecture, sculpture and ceramics, and China still holds the secret of its admirable porcelain, which other countries envy but are unable to reproduce. Five centuries before our era, your philosophers laid down the rule that "as ye would that men do to you, do ye also to them likewise", and taught ancestor worship, brotherly love and "the doctrine of the mean", prelude of that "holy indifference" which is the basis of Christian asceticism.

Your personality, may I say, Madame, is a symbol of that wisdom and knowledge which your people, for centuries, have faithfully and reverently held and guarded as a sacred treasure. You have stirred us deeply by the warmth of your eloquence, and if possible, strengthened our determination to go on fighting, not alone for our own freedom, but as well for the freedom and peace of all mankind—our determination not to lay down our arms until there has been a complete and final victory over all our enemies, Germany, Italy and Japan.

There remains, Madame, but to offer you our great good wishes for the success and happiness of yourself and your illustrious husband, with our ardent and sincere faith in the prompt and complete liberation of your heroic motherland—immortal China!

Mr. GLEN: Madame Chiang Kai-shek, I would seek to convey what has been made so manifest by this audience during your address—the deep sense of gratitude that you have evoked by your message, and the privilege which is ours to have heard not only the voice of China, but the voice of freedom, expressed by you in most eloquent terms and phrased in graceful English, comparable with the best in our literature. I speak not for both houses of parliament alone, but for all Canada, when I express the profound admiration of its citizens for Chung Hua Min Kou, or in our language, literally meaning "Chinese People's Country", the lovely name of the new China. And if I may be permitted to say, you have captivated all our hearts.

Your country has furnished great gifts to the world and when the time comes, as it surely will, when those evil people shall be driven from your land, China will once again take pride in its ancient culture and appease its hunger and thirst for the new learning in the new schools and colleges which, even in the midst of universal destruction, your people have built.

May I respectfully request, Madame, that you will as opportunity offers, convey to your noble and heroic husband, Generalissimo Chiang Kai-shek, Canada's abiding sense of obligation to him and to his valiant people. Canada's war is in the Orient as well as in Europe. Our armed forces are now fighting with your armed forces against Japan, and neither Canada nor China will lay down arms until they exact the unconditional surrender of that country.

It is for the good of all mankind that your and our race and peoples should understand and share friendship. May God in His infinite wisdom sustain and preserve you, and on that glorious day when this war shall cease, Canada will gladly join with your people in their long awaited triumph and will joyously repeat with you: Forever China.

Madame, on behalf of Canada I say: We thank you.

The National Anthem having been sung, the gathering dispersed with three cheers for Madame Chiang Kai-shek.

Thursday, June 17, 1943

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SHOES FOR ARMY PURPOSES

Mr. BOUCHER:

1. Did the government send a man to England to examine and report back on shoes for army purposes?
2. If so, who was sent?
3. Was a report made? If so, of what nature was this report?

Mr. MACDONALD (Halifax):

1. Yes. A committee was appointed and by the terms of reference the committee was to investigate and bring in a recommendation for the information of the Department of National Defence as to which was the best type of boot for the army and to advise in respect of any other matters regarding army boots referred to the committee.

2. A committee of three men consisting of Mr. A. O. T. Beardmore, president of the Canadian Tanners Association; Mr. Louis Daoust, footwear administrator for Canada; Captain M. B. Steinkopf, R.C.O.C. chief supervisor of non-technical workshops (army boots are repaired and rebuilt in these workshops).

3. Yes. The principal subject dealt with was the merit of high ankle as compared with low ankle boots for military use.

Final consideration of the report of the committee is deferred pending further trials now being conducted overseas.

Among other subjects dealt with are: (a) the merits of a stitched welt constructed boot as compared with boots of nailed construction; (b) the usefulness of clump soles; (c) the usefulness of heel plates and toe caps; (d) the advantages of leather soles as distinguished from rubber soles; (e) army boot repair systems; (f) salvage of used army boots; (g) the advantages of having uniform boot construction for allied nations.

QUESTION PASSED AS ORDER FOR RETURN

MOBILIZATION ACT—REJECTIONS ON MEDICAL GROUNDS

Mr. BLACK (Cumberland):

1. What is the number and percentage of rejections on medical grounds, and the total number of applicants for enlistment in the army in each military district since the beginning of the war?
2. What is the number and percentage of rejections and exemptions on medical grounds, of those called up under the National Resources Mobilization Act, and responding, in each military district, administrative district, or province?
3. What is the number who have responded to such call-up in each military district, administrative district, or province?

MOBILIZATION ACT

DEFINITION OF STUDENTS

On the orders of the day:

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, yesterday the hon. member for York-Sunbury (Mr. Hanson) asked if there had been any change in the regulations under the National Resources Mobilization Act with respect to the definition of students, or if not, whether any change was contemplated. May I say to the hon. member that there has been no change in the definition in question since the passing of P.C. 10924 of December 1, 1942. I shall be glad to send to the hon. member a copy of the regulation.

Hon. R. B. HANSON (York-Sunbury): Did the minister answer the second part of my question, as to whether any change in the definition of students had been contemplated? I do not think he answered that.

Mr. MITCHELL: At the moment the answer is no.

SUGAR

RATIONING—WESTMOUNT AND DISTRICT

On the orders of the day:

Mr. SARTO FOURNIER (Maisonneuve-Rosemont): Mr. Speaker, before the orders of the day are called I should like to ask a question of the Minister of Finance (Mr. Ilsley) or, in his absence, of his parliamentary secretary, who is also the hon. member for St. Antoine-Westmount (Mr. Abbott). Is it true that the people living within the limits of the city of Westmount are entitled to receive thirteen pounds of sugar, while those living outside the limits of that city receive only ten pounds?

Mr. SPEAKER: Order; this question should not be asked on the orders of the day.

Mr. GRAYDON: It is a very important question.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Wednesday, June 16, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war.—Mr. Ilsley—Mr. Bradette in the chair.

MUNITIONS AND SUPPLY

1. Additions and extensions to plants, $195,000,000.

Mr. ESLING: Mr. Chairman, I had intended to wait until item No. 5 was up for consideration before making what observations I had in mind, but as this is a general item I suppose it will be permissible for me to speak now.

Anyone listening to the minister's presentation of his estimates last week must have been impressed by the heavy responsibilities which he has to bear. The great volume and variety of supplies needed, not only for our own forces but for our allies, reflect the willingness and readiness of Canada to respond to the appeal of Mr. Churchill to send him the tools. The minister deserves great credit and must have considerable pride and satisfaction in having been so energetic in meeting this appeal. There may be some criticism of his efforts, and no doubt mistakes have been made, but the man who does not make mistakes does not accomplish very much. I intend to make a detour around the sins of omission and commission and endeavour to present to this committee a more pleasing and perhaps more surprising picture of the part that industry has taken in this war effort.

After the house shall have adjourned perhaps hon. members may be persuaded to visit Trail where there is the largest metallurgical plant in the world and one of the most important munitions plants in the Dominion of Canada. Hon. members will then have an opportunity to note at first hand the human as well as the industrial relations which exist between employer and employee. For more than twenty years a committee of employees elected by secret ballot from all departments of that huge plant have been the bargaining agents for their fellow workers. It may be interesting to note that during that twenty years not one hour of operation has been lost through the failure of the management and the committee to reach an amicable arrangement in connection with any matter brought to the attention of the management. This system was introduced by Mr. S. G. Blaylock, president and managing director of the company, and it would be well if other industries throughout the dominion adopted the same system and thereby did away with strikes and slow-downs.

This matter is one of peculiar interest to the residents of the prairie provinces. During the long depression from 1930 to 1940 and the succession of crop failures there was considerable discouragement among the residents of the prairies. Thousands of them put their families and belongings into their little cars and started for the Pacific coast where they hoped to have at least some warmth. In making that journey they had to pass through Trail where the smokestacks offered some hope of earning a dollar. During that ten-year period there must have been ten thousand people from the prairies and the eastern provinces who came into my district. In 1940 there were five thousand more people on the voters' list than there were in 1935.

The plants of this company in the various localities employ some 8,000 people, of which 78·3 per cent were born within the British empire. A total of 1,800 former employees are now enrolled in the armed services, and included in this number are some of the staff of apprentices which usually number 134. In

1942 the payroll of the company was $16,000,000. The basic wage for unskilled labour is $3.85 per day, but to this is added a bonus for metals which is governed by the market quotations, a bonus for silver, a bonus for efficiency and a bonus to cover the cost of living. These four bonuses brought the basic day rate up to $5.44 for unskilled labour during May. In addition other gratuities have been given to the employees. At Christmas time every married man received a cheque for $75, and every head of a family received a turkey as well. The single men also received $75 and an order for merchandise equivalent to the value of the turkey. These are just some of the instances that have occurred in the human relations that exist between employer and employee. There are 12,000 separate shareholders of the company, including many employees who have been given shares gratuitously to a market value of a little over $2,000,000. So that you can readily understand that there is a real human interest in the company.

Now what about the company? They make matters a little more interesting for their employees by providing them with a non-contributory pension, which is governed by the term of service and the employee's earnings. If a man enters the service of the company at the age of twenty-five and retires at the age of sixty, having an average earning of $1,500 he is retired on a pension of $43.75 a month, to which he has contributed nothing. Were he to buy a government annuity at the age of sixty returning him the same amount per month it would cost him $6,100. There I think is evidence of an interest by the company in its employees. They also have an insurance plan to which the employee contributes nothing. After six months in the service he receives a policy for $500 and every six months thereafter there is added to the $500 an additional $100 until the employee receives insurance of $1,500, to which again he contributes nothing. Should he wish to add to his security by taking out another $1,000 insurance he may do so by paying 90 cents a month or $10.80 a year. He pays that; to the other $1,500 he contributes nothing.

Now for a few more considerations on the part of the company. They have advanced to the employees, and I think this ought to be of interest to those who are looking to the deficiency in housing to-day, $4,500,000 for housing purposes. They also have in the pension fund a little more than $3,000,000, and they have made other contributions in every way to contribute to the comfort and security and welfare of the employees.

As to employment, the company paid last year in freight alone the sum of $13,000,000—you will understand the number of railway employees who have profited by that—and $7,000,000 in taxes. I remember a few years back when railway employees had great difficulty in earning a living.

In addition to the $4,500,000 contributed to the housing scheme the company also fills up every employee's coal bin so that there is no danger whatever of an employee being without fuel. His coal requirements are given to the committee and the employee pays for that coal over a period of from eight to twelve months.

I would like to come now to the item covering company contributions during the war. When the British mission first came to Canada it was almost helpless. It had to look around to see where it could secure assistance. It was sent to the Consolidated Mining and Smelting company, and the manager of that company turned over to this government as well as to the British government the services of twenty-three technical engineers and at the same time offered the assistance of key men in that plant whose services might be required. The result was that they built three plants of an approximate value of $16,000,000, and they did so at a price below the unit price estimated by the engineers of this government. The company undertook this work without fee or compensation of any kind. They simply said to the British government: We are going to undertake this work for you without the loss of one dollar and without the profit of one dollar. They carried that through and in most instances completed their work ahead of the allotted time.

At the machine shops of that huge plant they have turned out some of the best marine engines which the Admiralty is using for boats on the Pacific coast.

I want to say a word about metals, just to impress upon the members of this house the fact that there are some industries that are not profiteering and are not obsessed with the one idea of making money out of this war. During the last war this company was not at all behind because when the allies needed lead and zinc the zinc supply was practically cornered by United States interests; and the price of high-grade zinc in the United States during the last war ran from 27 to 45 cents per pound until the company through its research department perfected a means of separating the lead and zinc in ores and was able to supply the allies with zinc at 14 cents. There is a great difference between 14 cents and 27 to 45 cents.

What did the company do in this war? It said to the British government: We will supply you with all the lead and zinc you need in excess of the requirements of the Canadian consumer. The company supplies that lead and zinc to-day to the British government at a price for zinc, for instance, which is less than the average price in the five years prior to the war. In other words this company is supplying the allies with zinc at $3.60 per hundred pounds as against what? As against the New York quotation of $9.25. Is that not something to be proud of? Is that not something which the members of this parliament should consider—3·6 cents per pound as against 9·25 cents per pound in the United States? The price of their lead is also proportionately low. These prices—and I would just like the members to listen to this to see that there is no grasping or profiteering by one company—these prices mean that the British government is receiving its lead and zinc from the Consolidated Mining and Smelting company at a saving of $22,000,000 every year. There is no grasping or profiteering there.

May I add this one word. Responsible for all this loyalty and this endeavour to participate in the war effort is Mr. S. G. Blaylock, the president and managing director of the company. He did not come there as a high-priced official. I happened to be a resident of the city of Trail before the Consolidated Mining and Smelting company came into existence. I saw Mr. Blaylock come to Trail as a student from McGill to take employment in the assay office. He grew up with the plant. He was in daily contact with his fellow workers. He saw their problems, and he made it his purpose in life to solve those problems, and he is solving them to-day. I do hope that these few words may commend the industrial policy of the Trail plant to other industrial institutions in the Dominion of Canada.

Mr. NOSEWORTHY: I was personally very much impressed yesterday afternoon by the minister's defence of the dollar-a-year men upon whom he has relied for production. I am not at all critical of these gentlemen as individuals. I feel as I am sure the house does that the minister, intent as he was on securing the maximum possible production, chose the men that in his opinion would give that result. There are, however, many people across this country, and they are not by any means all C.C.F.'ers, who are critical of that policy and who fear that the minister, intent on getting production during the war, has paid too little regard to the ultimate result in terms of the post-war period of the policy he is following. There are many people in this country who have good reason to remember that these very men who were eulogized here yesterday must take their share of responsibility for what happened in this country in the pre-war years, and a great many people across this country are fearful of a recurrence of those conditions if these same gentlemen are left in control of our economy when the war ends. Certain it is—I think there can be no question in any one's mind—that the policy being followed by the government to-day inevitably affords to big business an opportunity to entrench itself in the economy of this country, and in almost every instance large corporations will come out of this war in a much stronger position than they were in when the war began.

I listened with interest to what the minister had to say of the qualifications of the directors of Polymer. With all due respect to the minister and the admiration which he as a professional man has for the business man, I fail to see why, because a man is president and director of a long string of mining companies, he has by reason of that fact any special qualifications to be a director of a firm the purpose of which is to construct a plant for the production of synthetic rubber. The same applies to the president and director of a yeast company or to the directors of a bank or the directors of a financial institution. I fail to see where these positions give them any special qualifications for this particular position. I was rather surprised that on that list of directors there was not the name of one single construction man. There must have been outstanding men in the business in which the minister himself was interested and it seems to me that would have been the logical place to look for a man of experience of that kind.

As to capital control, I referred on Tuesday to the extent to which the Aluminum company is gaining control over our water powers in this country. There are people in this country, and again they are not confined to the ranks of the Cooperative Commonwealth Federation—there are many in Ontario—who are vitally interested in the publicly-owned Ontario hydro-electric system, who are wondering what will be the effect upon publicly-owned hydro in this province of this cost-free governmental war-time financing of the Aluminum company and its Shipshaw plant. I have correspondence from the mayors of a number of municipalities in Ontario who are very much alarmed at the prospect of the Aluminum company being in a position, because of its low capital charges, to produce after the war electric power more cheaply than any other concern on this continent. They are alarmed at the prospect in the post-

war period of that company being able to block as they have done in the past the further development of publicly-owned enterprises. I do not know to what extent the minister or the members of the house are aware of the powerful international hook-up in connection with the development of the St. Lawrence watershed. I have before me the seventh annual report of the power authority, which on page 44 gives the names of seventeen directors, among them Mr. Arthur B. Davis, Mr. Edward K. Davis, Mr. Geoffrion, and Mr. Leighton McCarthy. Between them in one way or another these seventeen directors control Aluminium Limited, Saguenay Power, Aluminum Company of America, Montreal Light, Heat and Power, Beauharnois Power, Niagara Hudson Power, Shawinigan Water and Power, Quebec Power, International Power Securities, Gatineau Power, and a number of others such as security companies, which are mere holding companies. I have a further table, on page 42 of the same report, showing the international power hook-ups. Heading the list is the Mellon aluminum interests. There are twenty-seven companies in that hook-up. Fully half of them operate in Canada. One of the companies in that hook-up itself controls fifty-seven other companies, which between them produce and distribute 90 per cent of the power which is used in the state of New York to-day.

Mr. HANSON (York-Sunbury): International Power has been ordered to be dissolved, has it not?

Mr. NOSEWORTHY: But that was the situation at the time of the investigation and at the time this report was made up. Our Ontario hydro system to-day is contracting with private companies, all tied up in one way or another with the aluminum interests, for about as much power as it is developing from its publicly-owned plants. I pointed out that the development of Shipshaw was the culmination of a policy which has been followed very definitely through the years, a policy to block the development of publicly-owned water powers, a policy to get control of these, to ring them about. I am sure the minister will agree that we can ill afford in this country to allow the water flowing down our rivers to pass into the control of an international monopoly. That is a menace.

Mr. HOWE: Mr. Chairman, I am sure I do not know under what item the present discussion is taking place. Certainly it is not under item 1, because there is not a dollar of government funds being given to Aluminum company or to any water-power company as capital assistance. However, since the hon. member has said that Aluminum company has been blocking water power for years, and grabbing control of water power for years, perhaps he will tell us what powers have been blocked and what powers are controlled.

Mr. NOSEWORTHY: I wanted to show that from 1921 to 1924, for instance, the hydro electric commission and the government of Canada were committed to the policy of developing a publicly owned development on the St. Lawrence. I pointed out on Tuesday—

Mr. HOWE: We are still committed, are we not?

Mr. NOSEWORTHY: Just a moment. I pointed out on Tuesday that the aluminum interests had engaged a very highly-paid counsel in Canada—

Mr. HOWE: Mr. Chairman, are there no rules at all for this committee? On what item is the hon. member speaking?

Mr. COLDWELL: I thought I heard the minister say a few minutes ago that he would be glad if the hon. member for York South (Mr. Noseworthy) would show in what manner the Aluminum company had blocked development of water power.

Mr. HOWE: I should like to hear him speak on that, but I do not see why he should discuss it on this item.

Mr. COLDWELL: The minister will find that the reference which the hon. member is about to make does bring into the picture the Frontier corporation, which was used by the Aluminum company to block power.

Mr. HOWE: There is no appropriation under this item for the Frontier Corporation.

Mr. COLDWELL: But the minister challenged the hon. member to show how this involved the Aluminum company, and the hon. member is doing so.

The CHAIRMAN: The hon. member for York South is for the most part out of order, but in this instance he is replying to a question asked by the minister himself. I cannot see, however, that there is any relation between hydro development, or Shipshaw, and the item under discussion. So far we have made no progress in the consideration of this item, and while I do not know what the temper of the committee may be at the moment, I venture to say that every hon. member is anxious to have some progress made. I would ask hon. members therefore to comply with the rules from now on and to stick to the item before the committee.

Mr. HANSON (York-Sunbury): The minister invited this.

Mr. NOSEWORTHY: In answer to the minister's question as to how Aluminum company had blocked the development of the publicly owned enterprise on the St. Lawrence, I was pointing out that from 1921 to 1924 both the Ontario government and the federal government favoured the development of that project. In the meantime, I have already shown, the aluminum interests had engaged the services of a very highly-paid counsel to look after their interests in this country. Following that, I find that in 1926 the Ontario government, the Ontario hydro-electric power commission and the federal government had changed their policy with regard to the development of that project as a publicly owned concern. In 1927 the Canadian government, in reply to an invitation from the United States to participate in negotiating for the St. Lawrence treaty, replied that the government's policy must wait on the report of its national advisory committee. Just prior to that the Ontario hydro commission had informed the international commission that they too would be forced to contract for private power. Two months before they made that statement they had already entered into a contract with the Gatineau Power company, and when the national advisory committee reported to the federal government they recommended the development of the all-Canadian section which was to be developed by private ownership. The following is a quotation from their report:

> We believe that if a reasonable time were permitted in which to enable the resulting power to be economically absorbed the development of this national section would be undertaken by private agencies able and willing to finance the entire work, including the necessary canalization in return for the right to develop the power.

That point of view was embodied in the government's report to the international committee in the following year. The interesting feature of that report is that the chairman of that national advisory committee, Doctor McDougald, was one of the men who were first interested in the organization of Beauharnois, and Aluminum company was present and represented.

The CHAIRMAN: Order. I should like to know whether the hon. member is still replying to the question which the minister asked, because I fail to see how the development of the St. Lawrence can have any bearing on the item before the committee. I cannot see any connection whatever.

[The Chairman.]

Mr. COLDWELL: If I might speak to the point of order, the minister asked the hon. member to state specifically how the Aluminum company was involved in the blocking of the St. Lawrence project. In the second place, perhaps I might call the attention of the committee to *Hansard* at page 3555, in which the minister, in the very able statement he gave on Friday last, referring to the subject, made this observation:

> Our great resources of electrical power provide one of the basic reasons why Canada now holds fourth place among the united nations as a war producer.

And so on. The minister himself pointed out the importance of power in connection with the munitions programme in the war effort, and it seems to me that from both points of view the hon. member is in order.

Mr. CHEVRIER: The item under discussion is, "1. Additions and extensions to plants."

Mr. HANSON (York-Sunbury): Is that quite so? Are we not on a general discussion?

Mr. CHEVRIER: If the hon. member will allow me to raise a point of order, the item under discussion is additions and extensions to plants. There is no provision in this item for any money being advanced to Shipshaw or Aluminum or any power company. Therefore under standing order 58, any discussion is out of order as that in which the hon. member is now engaged. My submission is that the discussion should be ruled out of order.

Mr. HANSON (York-Sunbury): If the point which the minister is making—pardon me, not quite so soon; I meant, the parliamentary assistant.

An hon. MEMBER: Later on.

Mr. HANSON (York-Sunbury): If the major premise of the under-secretary is correct, then of course his conclusion is correct, but his major premise is wrong. The minister made a general statement on this and all other items; and in that situation the membership of this house are entitled as of right, not as of grace from the government benches, to deal with that statement. Then when that discussion is exhausted I submit we get down to the particular items in question. We have not yet reached that stage, much as I should like to see that happen. Furthermore the minister himself invited this very discussion, foolishly I thought; but he brought it on his own head under the general order of business covering all items relating to this huge sum of more than three and a half

billion dollars. I want to reserve the rights of hon. members though at times they may be carried to extremes. I suggest to my hon. friend on my left, however, that going back to the McDougald report is referring to ancient history. Perhaps he will come down to earth and be a little more modern.

Mr. HANSELL: I think it is generally conceded that the little programme we have been given, setting out nine points, pretty well covers the minister's department. I believe it is generally understood by all that, as in connection with the regular estimates, on the first item anything not included in the others may be discussed. I appreciate, Mr. Chairman, that you have allowed a fairly free discussion of the minister's department under the first item, as I think you should, and I suggest that the hon. member be permitted to conclude his speech.

Mr. NOSEWORTHY: I repeat my major contention, that this discussion has arisen because of the aid given by the government to the aluminum interests—

Mr. HOWE: On a point of order, Mr. Chairman, this government has never given one dollar of government aid to the Aluminum company or any of its subsidiaries.

Mr. NOSEWORTHY: To my mind the accelerated depreciation given this company is a form of financial assistance. Furthermore, Canada is interested in the assistance that other members of the united nations have given this company, inasmuch as that assistance enables the company to be a competitor of our publicly-owned enterprises in this country.

At the time I was interrupted I was speaking of the Beauharnois contract. I need not remind the committee that this was a very significant contract as far as Ontario was concerned; that the contract the Ontario hydro entered into with that company figured largely in the flotation of the bonds of that corporation. There we had an instance of a publicly-owned enterprise thwarted in its efforts to secure the development of its own resources and placed in a position where it was forced to underwrite the private development of power resources in the Quebec section of the St. Lawrence. My contention is that this reversal of policy was due in part at least to the effective work done by the counsel for the Aluminum company in Canada, engaged for that purpose. I have one item which I think will illustrate that, from the accounts I was quoting yesterday covering the years 1921 to 1926:

Fee on interview with Messrs. Davis, Bishop and others in New York, Pittsburgh and Toronto discussing, considering and advising; interviews and attendances in connection with the appointment of Mr. Charles A. Magrath as chairman for the hydro electric power commission; fee in preparation for and on special interview with Mr. Charles A. Magrath and Mr. Bishop in Toronto on March 29, 1926. . . . fee covering interviews with Prime Minister of Canada and other members of the government discussing developments of St. Lawrence river and reporting thereon. . . .

Incidentally the bill rendered for fees during these five years amounted to $26,678, and I have no doubt the Aluminum company received good value for this money.

Coming down to a later incident I should like to direct attention to an agreement signed by the governments of Canada and the United States in 1932. After that international agreement had been signed it was discovered by the power authority of New York state that it contained a clause calling for the expenditure of over a million dollars to provide a dam and gates at the entrance of the Aluminum company's canal at Lachine. That clause had escaped public notice until after the signing of the agreement. The matter was so serious that it necessitated a revision of that agreement by the governments of both countries. Had that clause remained in the agreement it would have meant that the aluminum company could have diverted one-quarter of the United States share of that water, which would have amounted to a free gift to the Aluminum company of two and a half million dollars.

The Aluminum company has figured in every application that has come before this house for the exploitation of power. The Prime Minister himself recognized that when discussing bill No. 21, to amend the Electricity and Fluid Exportation Act, which was given third reading on March 27, 1938. A white paper which the Prime Minister tabled on that occasion contains an admission that the exportation was required solely for the use of the Aluminum company.

I shall not give numerous other instances which I had intended to mention, since the government does not want this discussion carried on and apparently there is some dispute as to whether it is in order. To me, however, these are clear indications that throughout the years the Aluminum company has carried on a campaign to defeat the public development of that great waterway system. And I am not so sure as the minister seems to be that when the war is over we shall be free to go on with that great enterprise which, in the natural course of events, should provide much employment in that post-war period. For twenty-five years the Aluminum company

has succeeded in persuading the government, either on the other side or this side, that it was not in the interests of this or that country to proceed with the development. With the strategic position they now hold by reason of the assistance they have received in the development of their new plant I am not so sure that they will not still, and for a long time, be able to block that publicly-owned enterprise.

Mr. HANSELL: Mr. Chairman, may I return to yesterday's discussion of the rubber situation. I shall not take a great deal of time in discussing the matter generally, but shall ask the minister a question in respect of one matter which does not seem to have been touched upon. I refer to reclaimed rubber. What is being done in respect of this commodity? I ask the question because in several communities people have spoken to me about their supply of reclaimed rubber, and I have seen huge piles of old rubber tires. I remember one particular pile which must have amounted to many tons, and that pile to my knowledge has been lying there for at least two years. The salvage committee in that community are asking why it is that they cannot dispose of this pile of old tires, because it is an eyesore in the community.

Most of us found on our desks this morning a little booklet called "Canada at War". It is published, I believe, by the king's printer, and issued by the wartime information board. At page 31 of this June issue I find this paragraph:

> Salvage material most urgently needed now is fats and bones to produce glycerine, old tires and tubes, scrap brass, bronze, and copper and rags.

If these old tires are needed, why is it that these piles are allowed to accumulate and to lie for a number of years? The pile I have in mind has been there to my knowledge for at least two years, and there must be a good many tons in it. This is not an isolated incident; I think we would find the same condition throughout the country. Could the minister throw some light on what is being done in respect of reclaimed rubber?

Mr. HOWE: The supply of reclaimed rubber is very good indeed. In fact, collections of old tires have exceeded the capacity to reclaim their rubber content. Reclaiming plants have a limited capacity, and we had a tremendous response to our campaign for the collection of old rubber in the form of tires and other goods. Our stocks of reclaim are high. It is true that we have a considerable stock of old tires waiting to be processed, but I can say that the reclaimed rubber situation is in a very satisfactory condition.

[Mr. Noseworthy.]

Mr. JOHNSTON (Bow River): Are we getting any raw rubber from outside Canada—from Russia, or any other place?

Mr. HOWE: Only a trickle. Most of our crude rubber comes from the united nations' stock pile. We are allocated our war needs from that pile. That is sufficient to make up the deficit in our own stocks, which have been spread over a period sufficiently long so that artificial rubber may take the place of the crude.

Mr. JOHNSTON (Bow River): The minister is referring to that which is already on this continent?

Mr. HOWE: Yes.

Mr. JOHNSTON (Bow River): Are any imports of crude rubber coming from Russia or Great Britain?

Mr. HOWE: There are trickles, but I do not know how much. All imports are pooled and go into the stock pile which is held in the United States. A certain amount comes in from South America, a little from India and Ceylon, and a certain amount from South Africa. Whether any comes from Russia at the moment I cannot say.

Mr. PERLEY: What is the percentage of rubber in old tires which can be reclaimed?

Mr. HOWE: I think a very large percentage of the rubber that is left. The amount reclaimed would depend of course on how badly the tread is worn. But I believe the reclaiming process takes practically all the rubber that is left in an old tire.

Mr. HANSELL: Does the reclaiming of rubber require a specially equipped plant?

Mr. HOWE: Yes.

Mr. HANSELL: And are our reclaiming processes running at full capacity?

Mr. HOWE: Yes; we have two plants in Canada, and we send a good deal of scrap rubber to Akron, where it is reclaimed and sent back to Canada.

Mr. BENCE: Yesterday I could not help feeling that a discouraging picture was given by the minister respecting the utilization of agricultural products in the manufacture of synthetic rubber. I feel that possibly the worst side of the picture was presented by the minister. As one who is keenly interested in this subject, which I believe to be of the utmost importance to the part of the country from which I come, I should like to obtain from the minister certain information before

I am prepared to accept in my own mind the conclusion that the use of agricultural surpluses is not feasible.

Yesterday the minister gave some figures respecting the costs of manufacturing synthetic rubber from wheat. He stated it had been estimated that wheat to be used for this purpose would have to be purchased at 25 to 30 cents a bushel. I believe his words were "it is estimated"; and I also note that in the article he put on the record, which purported to be an answer to Dyson Carter, the same figures are given. Would the minister tell the committee who made the estimate? Was it made by an individual or a group of individuals? Who were they, and what had been their experience along these lines?

Apparently the determination of costs is a difficult matter. Mr. D. G. McKenzie, to whom I referred in my observations the other night, has stated that he discussed this matter with various research scientists, including some of the research foundations and the national research council, and found that he could not get any of these experts to express an opinion as to costs in terms of commercial production. The report made by the national committee of the Canadian chamber of commerce in a booklet called "A Survey of Canadian Research on the Utilization of Farm Products" states this at page 44 of its report, in connection with industrial alcohol:

> There is no such thing as "the cost" of making alcohol, since it may vary with the size of plant, cost of raw materials, process used and utilization of by-products. The approximate cost figures under pre-war conditions were estimated to be 35 to 40 cents per gallon of alcohol at the distillery, if wheat at 60 cents per bushel is used.

These figures are somewhat lower than those given yesterday by the minister, and in a moment or two I shall have some questions to ask in that connection. For the information of hon. members and the public generally may I point out that this matter is by no means considered a hopeless one so far as the national research council is concerned. These questions were asked in the house by the hon. member for Souris (Mr. Ross) on April 15:

> 1. Have scientific investigations been carried on by national research council as to possibility of utilizing Canadian-grown cereals to produce butadiene which is used in manufacturing scientific rubber?
>
> 2. Has the department made scientific research into the possibility of producing alcohol, rubber, starch and other commodities, from certain foreign products?
>
> 3. If so, what have been the results?
>
> 4. What is the cost per pound of rubber made from wheat alcohol as compared to petroleum?

The answers given were as follows:

> 1. Yes.
>
> 2. Yes.
>
> 3. (a) Ethyl alcohol. No experimental work is being done on alcohol production from farm products since the general processes are already well established in industry. Information obtained from the wheat-alcohol commitee of the United States war production board is available to the national research council.
>
> (b) Rubber. Promising results have been obtained from laboratory investigations on the production of butylene glycol from wheat and its conversion to butadiene. A pilot plant scheduled to operate in early summer is under construction. The purpose of this plant is to provide necessary data for the proper design of a full scale industrial plant.
>
> (c) Starch. An improved process for the separation of starch and gluten from wheat flour has been developed on a large laboratory scale. Starch of high purity is obtained by this process without greatly changing the natural properties of the gluten.
>
> 4. Actual production costs are not at present available to the national research council.

This indicates that the question of cost is hard to determine. As Mr. McKenzie put it, so far as rubber production is concerned the research scientists are not in position to give an accurate estimate. From the discussion yesterday it would appear that there is a misconception in connection with the use of wheat. Reference was made to eighty cent and ninety cent wheat, and one member talked about dollar wheat. The position in this country is that we have a great deal of poor grade wheat which would cost considerably less than the price paid for No. 1 northern. There also seems to be a misconception in the minds of some hon. members of the house as to the amount of money obtained from the sale of wheat. We do not get ninety cents for our wheat because we are entitled to sell only 280,000,000 bushels.

Mr. REID: In past years have the lower grades of wheat not been in greater demand on the coast than No. 1? In British Columbia for many years inferior wheat has cost more than the better grades.

Mr. BENCE: I only wish we could obtain more money for the poorer grades of wheat than we do for No. 1. I can assure the hon. member that considerable quantities of the poorer grades of wheat in Saskatchewan would be available to British Columbia if they were ready to pay the No. 1 price for it.

Mr. REID: We cannot always afford to pay that.

Mr. BENCE: I do not think the poorer grade costs more.

An hon. MEMBER: It is a question of freight.

Mr. BENCE: The freight costs might bring the cost of the poorer grades of wheat in British Columbia above what is paid for

No. 1 grade in Saskatchewan. However if you transported No. 1 wheat along with other grades to British Columbia, the No. 1 wheat would cost more. We are capable of producing in western Canada much more wheat than the 280,000,000 bushels we are allowed to sell. Even though we may be able to get rid of all our wheat for a short time after the war, it may be that after a time we shall not again be able to dispose of all the wheat that we can produce. This is what has happened in past years. Therefore we may have to find something else to do with it. Then we may grow other agricultural products. Experiments are being made in the growing of the Russian dandelion—I do not know its technical name—out of which synthetic rubber is being produced in Russia. It may not be that this product can be grown on the western plains, but the fact is that we have a lot of land there and we are in position to grow many agricultural products that could be used.

Yesterday the minister suggested that the total production of the alcohol distilling plants in this country was sufficient to produce only one-third of the alcohol which would be required to produce the amount of rubber which will be manufactured from petroleum. This alcohol now being manufactured is produced from seven million bushels of wheat, consequently I take it that from 21,000,000 to 25,000,000 bushels would be required to produce sufficient alcohol to manufacture the same amount of rubber as will be made from petroleum. We have an ample supply of poor grade wheat to meet this demand and it seems to me that it could be used for this purpose.

Of course the Sarnia plant is established and will be a going concern this summer. However, the investigations that were carried on before the plant was established are matters with which we are all concerned when we consider whether we can have an alternative process. I do not think anything should be done to discourage the use of agricultural products until we have come to a definite conclusion that it is not possible to work out some feasible and economical scheme for the production of synthetic rubber from this base. In order to assist my understanding of the position I should like the minister to tell the committee at what time it was decided that the construction of the Sarnia plant should be proceeded with. What length of time before that was it that these men to whom he has referred were consulted as to the best process that should be used? Can he give us the names of those men? How many of them were consulted? Who consulted with them, so far as our administration is concerned? Were members of the national research council brought into the matter? Generally speaking I should like to have a clear picture of the whole discussion that took place before it was decided to go ahead. I should like to know also whether the representatives of the agricultural interests, that is on the scientific side, were called into consultation. Was this matter discussed with men in the United States who have been actually engaged in the production of this product from agricultural products? Who approached who, if I can put it that way? Did the Canadian administration go to the United States and search out these men to obtain their advice, or were they approached from the outside with the suggestion as to what was the best thing that should be done? When he gave his statement yesterday the minister said, as reported on page 3701 of *Hansard*:

> Taking grain at, say, eighty cents a bushel, the cost of production for industrial alcohol from grain would run from fifty cents to sixty cents a gallon.

Mr. HOWE: I said from 72 to 78 cents a gallon.

Mr. BENCE: I am quoting the minister's exact words as they appear on page 3701, but on the next page he is reported as saying:

> As I say, we bought some alcohol from our plants which cost us eighty-eight cents per gallon laid down at Sarnia, but I believe the price at the distillery is somewhere between seventy-two to seventy-eight cents a gallon.

I should like an explanation of the disparity between those two statements. Is the fifty to sixty cent price based on eighty cent wheat, or is it the seventy-two to seventy-eight cent price that is based on that wheat? It is possible that the difference may be made up by the fact that the distilleries are selling alcohol which they are producing in their own plants and offering for sale to the government, while the other figure may have been an estimate of what it would cost in a plant established by the government. I should like to know whether a recent process known as the Park and Telford process was brought to the attention of the administration. I understand that a new process has been developed in the United States within the last four or five months which it is claimed will effect a saving of around ten cents per gallon in the production of alcohol from wheat, I believe this process eliminates the use of malt barley. Can the minister give us any information in connection with the plant which is being established at Thorold, Ontario, other than the information that was contained in the reply given to this house the other day, which merely was to the effect

that it would be operated by a company known as the Ontario Paper company; I think the name of the manager or president was also given. I would like to know what the approximate capacity of this plant will be, whether it is producing alcohol from wheat, and whether it is the kind of plant that can be turned over to the use and production of industrial alcohol from other products, such as molasses, when the war is over.

Mr. HOWE: The Polymer corporation was formed in February 1942, which fixes the approximate date when the studies of the rubber situation were in progress. Mr. Nicholson, who was at that time assistant controller of supplies, was directed by my department to organize the study. He associated with himself a board of scientists of the research laboratories, and one or two other competent scientists were added to it, of whom the head of the Ontario research laboratories was one, and also one or two industrial practising free lance chemists in Canada were added. It was as strong a board as could be obtained to go into all phases of the situation. This board or delegates from it went to the United States and obtained all the information available there. The United States at the same time was making similar studies. Anything which has been done in Canada has been based on the recommendations of that board.

The facts as set out by the board at that time have been confirmed by a number of recent studies. My hon. friend will remember the Baruch committee of the United States went very fully into the subject. That committee as I recall, was made up of Bernard Baruch, the chairman, president Conant of Harvard, and, I believe, Doctor Karl Compton, the president of the Massachusetts Institute of Technology. That committee reviewed the situation, and while it recommended that alcohol plants be built as an immediate source of butadiene to avoid delay in the programme, it confirmed the fact that the cheapest source of butadiene is petroleum.

My hon. friend has asked me about the alcohol plant which is being opened this week. That was a private venture of the Ontario Paper company. The process is to recover the alcohol content of the waste sulphate from a mill making sulphite paper and pulp. I believe the process came from Europe. It has now been worked out for the first time on this continent, and there is no doubt that it will produce alcohol; but until the process is in actual commercial operation, which it will be shortly, it is impossible to get any very accurate data on costs or other phases of that method of producing alcohol. The production of alcohol from wood has, of course, been going on for a good many years.

What were the other questions?

Mr. BENCE: I asked for an explanation of the difference in the figures given yesterday—

Mr. HOWE: Oh, yes. When we are talking of 80 cent wheat, I think probably my hon. friend is thinking of 80 cent wheat at Fort William and I am thinking of 80 cent wheat at the plant. As my hon. friend knows, recent prices for wheat have been around $1 Fort William for No. 1 northern, plus the freight to Sarnia, and I presume that the 88 cent alcohol which we bought laid down at Sarnia involved at least a dollar for low grade wheat at the distilleries, plus the freight on the alcohol to Sarnia.

Mr. BENCE: It seems pretty high for lower grade wheat.

Mr. HOWE: Well, lower grade wheat is bringing a very good price. As my hon. friend knows, spreads are not very great these days.

Mr. BENCE: Seventy cents basis Fort William.

Mr. HOWE: Seventy cents at Fort William, plus freight to Toronto, plus freight to the nearest distillery; and after the alcohol is made it must be railed back to Sarnia in tank cars.

Mr. COLDWELL: Does the minister think we in this country are quite safe in relying on petroleum as a basis for synthetic rubber?

Mr. HOWE: Yes.

Mr. COLDWELL: As a matter of fact I have before me an extract from the report of the Petroleum Industry War Council to the United States government, which was made quite lately, and perhaps I may put a few items before the minister. Here are some figures on the oil supply:

Year	Maximum efficient capacity	Minimum essential demands	Surplus (S) or deficit (D)
1943.....	4,421,500	4,100,000	S 321,500
1944.....	4,212,000	4,400,000	D 188,000
1945.....	4,022,500	4,400,000	D 387,500

Mr. HOWE: That is the production in the United States?

Mr. COLDWELL: Yes. The report on petroleum production for the week ended May 22 this year is given as follows:

Oil production in the United States had decreased in the amount of 17,285 barrels, or a total output of 3,996,700 barrels per day.

Each of the production figures I have given relates, of course, to per diem production. Canada, I believe, imports around eighty per cent of our requirements.

Mr. HOWE: Eighty-five per cent.

Mr. COLDWELL: About eighty-five per cent of our requirements. If it is the fact that the United States is facing growing deficits in the production of petroleum in that country, even although we are increasing our own output, with our tremendous usage of oil in this country, and the difficulties of transportation, obtaining tankers and so on, we seem to be skating on pretty thin ice from that standpoint.

While I am on my feet there is another question which I should like to put to the minister. Are we sufficiently well informed to be able to decide that petroleum is so much better than alcohol? What do we know about it? How long an experience have we had in this matter? I have before me a question and an answer given before the Gillette committee in the United States on January 6, 1943. The counsel for the committee, Mr. Hadlick, put this question to Mr. Brown, who is assistant deputy petroleum administrator, office of petroleum administrator for war, and formerly director in charge of research and development activities, and patent activities of the Standard Oil company of Indiana:

> You perhaps are not familiar with it, but there was considerable testimony, as the chairman will recall, as to the allocation of the funds in January of 1942 to the petroleum companies, and at that time no consideration was given to the method of producing butadiene from alcohol, which was considered in the chemical knowledge of the day as a practical, feasible method of making it, and we are interested particularly in having you confirm that at that time, aside from the small amount that Phillips was making—

That is the Phillips Petroleum company.

> —and the Shell process, the petroleum companies did not have a process—in other words, the money was allocated to go out and find the process.

Mr. Brown's reply is very interesting. He said this:

> I would not care to go on record to that extent, although I will agree readily enough that the process of producing butadiene from alcohol had been operated in other countries on a large scale, and very successfully, and at the same time that the processes which eventually were selected by which butadiene would be made from petroleum were not ones which had been commercially operated, so far as I know, prior to Pearl Harbor, with the exception mentioned.

I know the minister is depending on his advisers, and that advisers must rely on the information which they are able to secure. But before we rule out the possibility of using alcohol as a base, a much more thorough inquiry should be made.

In answer to the hon. member for Saskatoon, the minister referred to the freight charges to Fort William and on to Toronto and back to Sarnia—or back to Windsor, because there are distilleries at Toronto and Windsor. Our contention would be, of course, that if the alcohol process is feasible and the use of grain is economical, distilleries to distil industrial alcohol should be located on the prairies. There would then be no freight rate except in so far as it is necessary to take the alcohol to the place at which it is used as a base for rubber, and that too might be adjacent to the distilleries. I think a far more careful inquiry should be made into this whole matter than we are able to make in the house in committee. I am satisfied that the minister is giving us the benefit of the advice he is getting, but as a member of this house I am not satisfied that that advice is what would ultimately be given after careful inquiry into all phases of this very important matter. It is important from the point of view of the prairies from which some of us come, and that is why we are so persistent in asking that more consideration should be given to this alcohol process.

Mr. HOWE: Of course Canada obtains in peace time a very large part of its imports of petroleum from other than the United States, and the United States also imports largely in peace time. The reason that our two countries have been driven to depending almost wholly on United States production at the moment is the difficulty of the submarine menace and the desire to reduce to the minimum the demands on tanker capacity. The world position in petroleum, assuming normal transportation, is quite satisfactory. My hon. friend will remember that before the war there was surplus petroleum and distress petroleum all over the world, and I believe that that condition will return.

Regarding the information on which we based our plan to make butadiene from a petroleum base, of course we examined the information which was available from time to time, but the encouraging factor to me is that various other inquiries made subsequently, both by Canadian and United States committees of scientists, have confirmed the wisdom of the decision we made based on the data we had at the time.

I think a discussion of this is futile at the moment. Whether we are right or wrong, a decision has been made, and a plant is nearly

built and ready to operate. After that plant has been in operation for some months, we shall know exactly the cost position of butadiene from petroleum, and of rubber from the present process. We shall then have a base from which to examine the wheat situation, and if a cheaper way of making butadiene is developed immediately afterwards, or at any subsequent time, we shall want the cheapest butadiene we can obtain, and plants will be built in due course and the butadiene supplied at the lower cost.

Mr. McIVOR: I am not going to speak about alcohol, how it may be made, or where secured, or how disposed of. But I have been listening closely to this debate and I have my own practical suggestions to make. I heard the discussion on aluminum, and the reasons why this subject was brought to the front are, perhaps, three: one, to show that too much was paid for the aluminum; two, that some people were making too big a profit from it; three, to add, perhaps, another industrial organization to the number now controlled by the government. My answers to these points are very simple. I do not know a great deal about aircraft, but when I see men sitting and waiting for aluminum I am disposed to tell the Minister of Munitions and Supply to get aluminum if it is possible to get it. What has emerged from this discussion is that the minister has aluminum, and that he is paying, not seventeen cents but fifteen cents a pound, which according to the statements produced in the committee is the lowest price paid anywhere in the world. I think therefore that the minister is to be commended. In the next place, if it be true that the Aluminum company is making a lot of money, presumably the shares would soar sky high. Instead of that, prices have gone the other way. Further, I do not think we should ask the Minister of Munitions and Supply to keep a tab on all those who are making money out of the manufacture of munitions. The eagle eye of the Minister of National Revenue will look after them; and I take this opportunity of paying my tribute to his deputy minister, Mr. Fraser Elliott, who will get revenue from anybody who ought to pay. Therefore why lay this burden on the Minister of Munitions and Supply?

As regards public ownership, I know of no minister in Canada, either in this or in any previous government, who has ever put so many industries under government control as the present minister has done. I am afraid that if he extended his control to the Aluminum company and a few other industrial concerns the Cooperative Commonwealth Federation would not have very much to fight on.

Mr. COLDWELL: That would be fine.

Mr. McIVOR: I agree with the minister in the statement he made yesterday that he wanted to get, to use his own words, the best brains of Canada. I know he has tried. I have suggested to him men from the head of the lakes who I thought and still think are clever men, but they did not get positions in the Department of Munitions and Supply, because he had other men who in his opinion had better brains and were more efficient. Of course I said, "Well, all right, we will just keep on trying."

Again, as to his relations with labour: if there is any minister who has done a great deal to prevent strikes it is the present minister. We know the times when workers have struck; we do not know the times when strikes have been avoided. It is analogous to the case of a man who takes a drink; we know the times when he gets too much; we do not know the times when he is tempted to take too much but refrains.

I can see the Minister of Munitions and Supply sitting with a group of trade union men around him, and if there was a grievance they would go back to work and there would be no strike. I know too that some credit is due the Minister of Labour, where a certain man was dismissed for union activities. The corporation said they had dismissed him for other reasons but he is back at work, and that industry is simply humming with management and union men working together to produce up to the hilt. I think we should state these facts.

Someone said that the small man should be taken care of. I would ask, where is there any industry in Canada, or where is there any work in Canada, where the small man has been so well taken care of as he had been in this department in connection with what is called the bits-and-pieces contracts. In Montreal, Toronto, Port Arthur, Winnipeg, et cetera, there were machine shops where the men were working very busily. They could not get a job, but this department has taken care of them, and the work done has been commendable.

The hon. member for New Westminster (Mr. Reid) stated that when we are trying to produce steel we should carry on the manufacturing as close as possible to the source of production. I do not agree with him when he says that the best quality ore is to be found in British Columbia, because in my opinion the

hematite ore that will soon be flowing through the lakes from Steep Rock will compare favourably with the best in Canada. I give the minister notice now that if we can prevent it we will not allow that ore to be carried down lake Superior in boats in the form of ore, but we will try to influence or perhaps to interest even members of the opposition, who are supposed to be moneyed men, to invest their money in the big smelter concern at the head of the lakes. I believe that the steel produced at the head of the lakes would be much more easily shipped than the ore.

I know that the minister is capable of doing great things and in this discussion it was assumed that he could find oil and steel, fabrics and tools, and could break combines. I heard at one time that he was pretty well loaded—

Some hon. MEMBERS: Oh, oh.

Mr. McIVOR: —with work. I am glad to see that the opposition has a sense of humour. Very often, however, though the minister has done a great job and we are glad to see him in such fine humour, I have wondered that he could take as much as he did.

Some hon. MEMBERS: Oh, oh.

Mr. McIVOR: It illustrates the old proverb, when I see him sitting and listening patiently, as he does—a proverb which I came across the other day and which was new to me: "You can tell the calibre of a man from the size of the thing that gets his goat."

Mr. ADAMSON: There is one question I want to ask the minister in regard to rubber. Some time ago a great deal of publicity was given the Russian manufacture of rubber from some of the dandelion families. I believe the names were guayule and cryptostegia. This was supposed to have solved the rubber problem in Russia and it received a great deal of publicity. I remember reading an article in the New York *Times*. Is there anything in that, or has it been tried?

Mr. HOWE: I know very little about the rubber situation in Russia, and few people do. The Russians are not very communicative of their secret processes. However, the milkweed is used in the rubber process as a polymerizer and Canada is growing a bit of milkweed experimentally for that purpose and possibly will increase the quantity. I would hesitate to suggest how many hundreds of square miles of milkweed would be required to produce a ton of artificial rubber; it would be a great many. However, it happens that the milkweed is useful in the rubber process.

Mr. FRASER (Peterborough West): You want 700 acres planted in Peterborough?

Mr. HOWE: Yes; we are arranging for the planting of 700 acres.

Mr. FRASER (Peterborough West): Is the department putting up a plant?

Mr. HOWE: No. It will go into the Sarnia plant as a polymerizer with other ingredients.

Mr. FRASER (Peterborough West): It will be shipped to Sarnia?

Mr. HOWE: Yes.

Mr. JOHNSTON (Bow River): With reference to the manufacture of rubber, it has been pointed out that there is likely to be a scarcity of oil products, such as gasoline and lubricating oils, and therefore greater attention should be paid to the distillation of alcohol from wheat. Of course we on the prairies are interested in that particular phase of the subject from the standpoint of disposing of our wheat. The minister thinks that would be impracticable at the moment. When speaking, he said that the time was not now opportune to discuss that phase of the matter because there was a plant already nearing completion in Sarnia and if that demonstrated that he could not get enough it might be necessary to start a plant in the prairies. But once the plant is completed at Sarnia and members from the prairies start pressing to have a plant put up in the west the minister will be one of the first to tell us that, having gone to all the expense of putting up a plant at Sarnia, while it might be more expensive to process the product there, nevertheless it would not be feasible to start another plant at tremendous cost in the west.

I would point out that there is great danger of our becoming extremely short in petroleum products. In fact, there is a danger that we may have to depend upon our own sources of supply. I think I am safe in saying that as regards increased production of petroleum products as a result of drilling wells, what has been obtained since the war started is almost negligible. We have not made progress in that field. A number of wells have been drilled but there is not very much production from that source. What astonishes me is this. We know definitely that we have oil in the tar sands. The minister has given his view on this question on many occasions but the fact remains that no one

can deny that a supply is there. We know definitely that it is there in unlimited quantities, to the extent of over one hundred billion barrels. That is a huge supply and there is no guesswork about it. We know that it can be procured from the tar sands because they are doing it. The question, therefore resolves itself into one of expense in the process of separating the oil from the sand. There is a distillery there in which they are producing 400 barrels a day now.

Mr. HOWE: No, they are producing nothing.

Mr. JOHNSTON (Bow River): Well, before the fire they were producing 400 barrels a day.

Mr. HOWE: I do not know; I guess so.

Mr. JOHNSTON (Bow River): I believe it was something like that; it was not a large amount; but the main point is that they were doing it. Now, if we are to face a shortage of rubber, and in fact we are facing such a shortage, why do we not go ahead, even though we have a plant at Sarnia which is going to produce rubber from petroleum products? Why do we not go ahead and separate the oil from those tar sands thus assuring ourselves of both oil and rubber? I am sure if the minister would put his genius to work—because I am not questioning that he has ability—and would get his department on the job in earnest, the production of oil from the tar sands could be accomplished, and I think he is the man to do it. He is not so much concerned, as he said the other day in referring to aluminum, about the price of the product; I think he pointed out that his job is production. I agree with him in that respect; that is the main thing. If profits are being made that matter can be attacked from a different angle; nor am I suggesting that it should not be attacked. In all seriousness, however, I think the minister should review the situation in regard to the tar sands, to see if something cannot be done in this connection. Only a few weeks ago I learned from an authoritative source that at the present time American interests are up in the northern part of Alberta trying to estimate the possibility of bringing about this production; that they are determined it can be done and that they are going to approach or have approached the provincial government to see if there is any possibility of carrying on that work with American capital, because, as they say, they could not get anywhere with the dominion government. There may or may not be something to it, but the point is that people are much interested in this matter. The last time I dealt with this subject I read from an article which appeared in a United States newspaper pointing out the urgent need for Canada to do something in regard to the tar sands in the Athabaska district, saying that this was an essential project for the defence of Alaska and in connection with the hard surfacing of those roads. I believe the minister pointed out some days ago that the sale of the by-products of that process would almost pay for the cost of development. That is a consideration also.

However, that is just incidental to what I was going to talk about. The other day the hon. member for Macleod had something to say in regard to the supply of water at various airports. I do not know whether the minister is aware of the fact, but we are spending a great deal of money on these airports owing to the fact that greater precautions were not taken in regard to locating water before the sites were definitely decided upon. I remember asking some questions in regard to the Shepard airport, which is just a few miles away from Calgary; those questions were made an order for return, which order was brought down as sessional paper No. 166 on Wednesday, February 24 of this year. I was inquiring about the cost of drilling wells and transporting the water from Calgary. It appears that two wells were drilled at the Shepard airport after the site had been decided upon and construction was fairly well advanced. The return did not give the cost of drilling the two wells; no doubt the minister could supply that information, but at the moment it is not material. After drilling these wells, which I believe gave a sufficient supply of water, according to the report the mineral content of the water was such that it could not be used, so that they had to pipe water from the city of Calgary. That was done because proper attention was not paid to the matter of the water supply before the site was decided upon. The cost of piping that water was $22,019.44, and the rates paid for the water are given in the return. To me they seem exceedingly high. The answer to question 7(b) was as follows:

The water obtained from the city of Calgary has not been provided for a full year and is on a graduated scale, payable monthly at command:

	Cents per thousand
First 5,000 gallons	40
Next 5,000 gallons	36
Next 20,000 gallons	33
Next 30,000 gallons	26
Next 90,000 gallons	18
Next 350,000 gallons	16
Next 500,000 gallons	14
Over 1,000,000 gallons	13½

According to the return it is estimated that 40,000 gallons per day would be required at the

airport, which figures at about $403 per month or about $13.30 per day for water alone. When you put that on a yearly basis it runs to about $4,892. If you consider the cost of piping, $22,000, and spread that over a period of say four years, which will give it another three years to go—supposing the war is over in three years—it means that the cost is about $6,000 a year for the piping and roughly about $5,000 for the water, or some $11,000 a year for the water supply alone. That is a tremendous price, all because proper attention was not paid to locating a supply of water before definitely deciding upon the site.

I can quite see that occasions may arise when it may be necessary to locate an airport at a particular point whether or not water is available, in which case it might be necessary to pipe the water to that spot. I do not think that was the case here, however. In the instance mentioned by the hon. member for Macleod the other day, water was located at a distance of about six miles from the airfield. Surely it would have been comparatively easy to move the site another four, five or six miles, especially when you consider that the water supply may cost up to $11,000 per year. I believe that is one thing the minister would do well to take in hand, in case other fields should be constructed in future.

The other day the minister made reference to the production of coal. I am extremely interested in this question; I believe everything possible should be done to increase the production of this commodity. Everything points to the fact that this coming winter we are going to find ourselves worse off, so far as supplies of coal are concerned, than we were last year; yet so far not a great deal has been done to increase our supplies. I believe this matter has come under the control of the minister only recently, and we hope he will be able to do something about it. At page 3551 of *Hansard* for June 11, 1943, the minister said:

> Coal is one of our most pressing supply problems. Consumption has increased by more than forty-five per cent since the war began.

Then further down:

> The result is that we have relied to an increasing extent on imports from the United States. . . . All of this means that Canada faces a possible shortage of 4,000,000 short tons during the current year.

That is quite a shortage. Then he went on to say:

> I appeal to all those who are working in our coal mines to do their utmost to help us obtain increased production.

[Mr. C. E. Johnston.]

I think I can speak for the miners when I say they are just as anxious to increase the production of coal as anyone in this house. In all my meetings with the miners I have not found one who was not just as desirous as we are for increased production. But they do have their problems. And unless some effort is made to solve this problem, the minister will have a bigger job on his hands, as time goes on, than he has at present.

There is no question about supply, particularly where Alberta is concerned. The other day the hon. member for Cape Breton South (Mr. Gillis) spoke with regard to his part of the country. It is estimated, I believe, that fourteen per cent of the world's supply lies in Canada, and that eighty-five per cent of that fourteen per cent lies in Alberta. There is a tremendous volume of coal in that province. The big question is: How are we to get it out? So far as Alberta is concerned, whether or not the minister desires to open up more mines in that area, I can say to him that there is certainly plenty of coal there, if he wishes to go after it. There is an unlimited amount. Why, you can drive down the Drumheller valley and see the coal on the face of the hills. You can go into the Rocky mountains, and in one place you will find a mine with a million tons in it, which has been abandoned entirely. Oh, there is no difficulty there. The difficulty will be to get the supply of labour.

The minister has said that so far as manufacturing industries are concerned he will be able to take care of all the labour that will be moved from one plant to another. So that we shall not get many miners from that. Then, we shall not get many out of the army, because my experience is that when you try to get anyone out of the army you have a difficult proposition. And as time goes on you will necessarily have a more difficult task to obtain a release from the army. I say that because the time is coming when all who are in the army will be needed.

There is a great deal of loss of production through absenteeism, and that applies not only in the mining industry but in other industries as well. We saw it last year when we were travelling across this country, and we knew there was some loss of production in all branches as a result of absenteeism.

It has always been my contention, so far as coal mining is concerned, that a great deal of that absenteeism could be overcome if we modified our method of taxation, to some extent. The hon. member for Cape Breton

South pointed that out the other day, and I did the same on another occasion when I spoke on this question. The hon. member was right when he said that when it comes to increasing production, through overtime, there should be some modification in the tax structure. When a man has worked for seven or eight hours in a mine, and then for patriotic purposes, because the press is appealing to his patriotism, and because the minister himself is appealing to his patriotism, increases his production, and then because he may work another shift loses five or six dollars, I think he is just a fool to do it. And I make no apology for that statement. I would not do it, and you would not do it. I never ran across a business in Canada which would produce more, and be penalized because they did it.

An hon. MEMBER: Yes.

Mr. JOHNSTON (Bow River): Where is it? Name one industry which does.

Mr. HOWE: There is no possible combination of circumstances under the present tax laws which penalizes a man, or which makes him earn less for working more. He earns more by working more, and I defy the hon. member to show any other result. I am sure the Minister of National Revenue will support me in that. It is impossible for a man to work more hours and earn less money in his week's pay.

Mr. JOHNSTON (Bow River): I will give one instance. A lady wrote me the other day—and I have the letter in my office—stating that she received $100 a month for the work she was doing, and received a bonus of $17.45. Because she got the bonus she was taxed. She had to pay more because she got the bonus. That is one instance. Certainly if you raise a man's income from a certain field to a point where it gets into another field of taxation, just at that moment, while he may earn only a dollar more in the new field, he will have to pay more taxes.

Mr. HOWE: No. My hon. friend does not understand the tax structure, and it is destructive for him to talk about something he does not understand. I can assure him I know positively whereof I speak when I say that no possible circumstances can arise under which a man who works for forty-eight hours will get more money than the man who works for fifty hours or forty-nine hours, provided they both get the same rate of pay. I wish my hon. friend would not put on *Hansard* any other story, because he is misleading, and dangerously misleading, the workmen of the country. There are too many destructive stories abroad now without having them spread from this House of Commons.

Mr. JOHNSTON (Bow River): All right; I will give the minister another question. He says he knows all about taxation. If he does, then I say he is one of the few people in this country who do, because we have been trying to make out our income tax returns in the last two or three weeks, and I have information that some have had to send their tax papers to an expert, or have him come and simplify the simplified form. But if the minister knows all about the tax structure—and of course I am not suggesting that he does not—then I say he is one of the few in Canada who do.

An hon. MEMBER: You should not talk about it unless you do.

Mr. JOHNSTON (Bow River): Here is another question: If a married lady is receiving $660, I understand she is subject to taxation. If she earns one dollar more she is going to be taxed, and she will lose in the process.

Mr. GIBSON: No; she is not going to lose in the process. The income tax law provides that where a person is taxable, no tax will reduce her down to or below the exemption level.

Mr. HANSELL: Is there not a case where a coal miner might—

The CHAIRMAN: Perhaps the hon. member for Bow River should complete his statement.

Mr. HANSELL: I was just trying to help him out. But I imagine he does not need my help.

Mr. JOHNSTON (Bow River): In this case he does not, no. But when a miner is producing coal and works another extra shift, he does not get paid in the same proportion, and therefore he loses money in the process.

Some hon. MEMBERS: No, no.

Mr. JOHNSTON (Bow River): Oh, yes, he does, because he is not entitled to the regular scale to which he would be entitled if there were no tax on it.

Mr. GIBSON: May I make one correction? There seems to be some misapprehension that when a man increases his earnings he may get into a higher tax bracket, and that his whole earnings will be taxed at

a higher rate. That is not so. When a man increases his earnings the increased portion may be charged a higher percentage of tax, but the original earnings continue to bear the same rate of tax as the man was paying before. Consequently the earning of an increased amount of money may, as I say, bring such increased earnings into a higher scale of taxation, but the rate of tax on the original earnings is not affected.

Mr. GILLIS: Has that change been made since the budget was presented, because that was not the arrangement when the Minister of Finance presented the budget to the house.

Mr. GIBSON: It has always been the basis of taxation in this country.

Mr. GILLIS: It has not been administered in that way, then.

Mr. GIBSON: Of course it has, always.

Mr. GILLIS: Where deductions are made at the source, and where the worker is employed weekly, as are the great majority in this country the entire earnings are taxed in a higher bracket, by virtue of overtime worked.

Some hon. MEMBERS: No.

Mr. GILLIS: Yes; and hon. members may examine any section of industry in Canada, and they will find that that is the main complaint, so far as the taxation laws are concerned.

Mr. GIBSON: I should like to clear that up. My hon. friend is referring to a tax deduction at the source. The amounts deducted are based on what the taxpayer is earning, or is presumed to be earning, throughout the year. If he works at a given rate of wage, certain deductions are made. They are made on the basis of a percentage of the tax—ninety-five per cent of the tax—that he will have to pay throughout the year. If his earnings increase, then he is presumed to be earning throughout the year at a higher rate, and naturally the deductions for each pay period would increase as well. But those deductions are only on account of the tax that will be payable at the end of the year. When the man has completed the year, filled out his income tax return, shown all the earnings he has made throughout the year and worked out his tax, what has been deducted at the source is applied against that tax. The first $100 over the $660 exemption is taxed at a definite rate, no matter whether a man makes $1,000, $2,000 or $3,000. The tax rate for the entire income does not vary according to the total that a man earns. That is, on the first $1,000 everybody pays at the same rate; then for the second $1,000 they pay a higher rate of tax, but getting into a higher income tax bracket does not raise the taxation scale on the entire income.

Mr. GILLIS: I agree with what the minister has said, but he is merely confirming what the hon. member for Bow River (Mr. Johnston) has been saying. It is no use saying you can get a refund if it means that you have to hire one or two lawyers to fill in the form for you.

Mr. GIBSON: Only if you have overpaid.

Mr. GILLIS: There is a great deal of absenteeism in our plants and factories and mines on account of this. If a man is working a forty-eight hour week and his earnings bring him into the thirty-one per cent bracket, then when he works for seventy-two hours or seventy-six hours as many of them do, he finds he is brought up into the forty-five per cent bracket. Then that rate is assessed against his whole weekly earnings. I have discussed this matter with the minister and have based my arguments upon his own tables to show how the rate changes and is applied to the weekly earnings. He said he was going to look into it to see if something could not be done. This works against our whole war effort. The average man does not understand that he can get it back, and even then it may take a year or two. If the minister will go into his department he will find that people have made applications for refunds two years ago and have not yet received them.

Mr. GIBSON: I quite agree that there may be cases where a man could work a large amount of overtime for a short period and raise his deduction into a higher bracket for that period than he will eventually have to pay. This is causing some concern to the department, and a committee is now studying the problem to see if some other method of deduction can be devised to cover overtime earnings, so that they will equalize the tax and not cause the dissatisfaction that exists in some of these cases.

The CHAIRMAN: I have allowed a great deal of latitude in this discussion, but I believe I heard the same discussion when we were considering the budget. I cannot see how the Minister of Munitions and Supply can do anything about the budget. I think we should come down to earth at some time in this discussion.

Mr. JOHNSTON (Bow River): I wish to abide by your ruling, Mr. Chairman, but with all due deference may I say that the Minister

of Munitions and Supply is directly responsible for production. In my estimation one of the things reducing our production is absenteeism. The matter we are discussing is the cause of considerable absenteeism; this in turn reduces production, and the Minister of Munitions and Supply definitely has to do with production. This condition is to be found not only in the coal industry but in others as well. These men may be able to get a refund of their taxes later on, but that does not satisfy them now. They are staying away from work because they feel that if they put in more hours they will be penalized. This should be sufficient, not only for the Minister of National Revenue but for the Minister of Munitions and Supply to warrant some attempt being made to solve this taxation problem.

There is another matter the minister will have to deal with if he wants greater production. Labour-management boards must be set up, and these boards should have a fifty-fifty representation. It may be said that this has nothing to do with production, but in my opinion it has everything to do with production. Not long ago there was a strike in the Drumheller district when seventeen mines were closed and over 2,000 miners were out and thousands of tons of coal were not produced that could have been produced if there had been proper labour-management representation. It is not correct to say that labour is always to blame. I have evidence right here which I think will convince hon. members that the judge erred when making some of the statements he made in rendering his decision. I have not talked to one of these fellows who was not absolutely disgusted with the whole affair because he felt there had been obvious discrimination. Those men were fighting for a principle, and I have no hesitancy in saying here, as I said to some of the officials, "I think you are right and you should hold out for it."

Some of the actions of some mine managers have not been in the best interests of coal production during war time, but there are others who acted just the opposite. Do not think that it was the decision handed down by the board that settled this strike. The manager of the Red Deer Valley mine hired this man, and the rest of them went back to work. That is one mine in the district where the men get along with the management because an endeavour has been made to have proper labour-management relations. This cannot be said of the Star mine. I do not intend to go into the details of this strike, although I have the evidence right here, because this would come under another department.

I should like to say a few words about the manufacture of guns, to which the minister made reference the other day. On page 3545 of *Hansard* the minister is reported as having said:

> We are now engaged in revising some of our gun schedules downwards. The items most likely to be affected are the 3·7 and Bofors anti-aircraft guns and the 6-pounder anti-tank gun. The scheduled production of 3·7 and 40 mm. Bofors AA guns will carry on at a reduced scale to the end of 1944.

This brings me back to the Ogden shops at Calgary. Not so long ago fifty men were laid off at these shops, and then because they did not have sufficient work, they had to lay off another 200 men. In a return I asked for it was stated that of the 200 laid off, fifty-three had been placed in positions by the selective service, not necessarily in positions in the Ogden shops; sixty-five were receiving unemployment insurance and the others had scattered. The point is that although the minister stated that all would be taken back, to date they have not been taken back and the production of this plant is reduced to that extent. If the schedule of production is to be cut down still more—I am not saying it is not necessary to do so because I realize that once you have sufficient guns manufactured you must change over to something else—something will have to be done. Is any plan under way by which the Ogden shops will be converted to some other type of production so that they will continue to run? As I pointed out on another occasion—I think I drew this to the minister's attention—I was informed not long ago by one of the responsible persons at that plant that unless they got more contracts they would have to fire more men. That is a situation which should be given consideration by the minister.

Mr. HOWE: May I ask my hon. friend if the unemployment situation in the Calgary area is acute?

Mr. JOHNSTON (Bow River): Of 200 men laid off from the Ogden shops, sixty-five were drawing unemployment insurance. That does not speak very well for the labour situation there. These men were all experienced mechanics. The manager of the plant—I think his name is Mr. Gubbins, from Montreal, and a very fine man—told me it was a shame that these 200 men should have been laid off, because they were some of the finest mechanics he had in that place. But that had to take place under the agreement which the company made with the unions. When I consider that sixty-five of these experienced mechanics were drawing unemployment insurance and that the remainder were still not

placed in positions, I would say in reply to the minister's question that there was a serious unemployment situation there which should be looked into.

I wish to say a few words about ships. I know the minister has gone quite a long way in producing ships. I have seen some of these ships, and they are extremely good ones. But our big concern at this time is to win the war. While the minister has done well in the production of ships, I think we can do still better, and we must not idly sit back and be content with things as they are. The minister, when he was speaking of ships, had this to say, as reported at page 3548 of *Hansard:*

> Recently the Burrard Dry Dock Company set a record by delivering the *Fort Wedderburne* in 89 days from the laying of the keel. At West Coast Ship Builders a ship has been launched forty-five days after the laying of the keel.

I think it would be wrong for us to assume that the second ship mentioned was completed and delivered in forty-five days. While the Burrard Dry Dock company completed a ship in eighty-nine days, I wonder how long it took them to launch it. That would not take eighty-nine days by any manner of means; it would be launched in much less time than that. It may be that the West Coast Ship Builders launched a boat forty-five days after the laying of the keel, but do not let us be misled by that statement into thinking that these 10,000-ton cargo ships are being launched in forty-five days. While the *Fort Wedderburne* was delivered in eighty-nine days from the laying of the keel, that was one ship which set a record. I was rather amused by that statement because it at once came to my mind, if we can launch one ship in forty-five days, why do we not go right ahead and keep on launching them as fast as that? It would be a dangerous impression for the public to get that we are launching these 10,000-ton cargo ships in forty-five days and that therefore all is well with our shipbuilding programme. I think the minister himself would be the last one to say that these ships are being launched at this time at anything like that rate of speed. I think the truth is that they are not being launched in anything like forty-five days. I believe that they could be launched much faster than they are being launched, but the companies are not allowed to produce them faster. The minister may excuse that on the ground of a shortage of material, but I remember reading a statement in the Vancouver *Sun* that 200 men were being laid off at one Vancouver shipyard because the increased efficiency of the workers in that plant permitted that lay-off. That is one of the shipyards we visited, Mr. Chairman, and in my opinion that statement in the Vancouver *Sun* was definitely wrong. That is not the reason why these men were laid off, and a statement like that should not be given out to the public. We are not, except in the odd case, launching 10,000-ton cargo ships in anything like forty-five days. Perhaps the minister would tell us what the reason is for our not launching these ships faster. The hon. member for Fort William suggested a little while ago that we should produce steel at the head of the lakes, and with that I am in perfect agreement. If we are not producing ships as fast as we can through lack of steel or some other material, our attention should be turned to speeding the production of these other materials. I recall that the hon. member for New Westminster when he spoke the other day said that five berths at the Star Ship Building Company's plant were not being used, and yet the minister, as reported at page 3548 of *Hansard,* spoke of:

> . . . new shipyards yet to be built and equipped hurriedly.

Why are we not using these five idle berths mentioned by the hon. member for New Westminster? Perhaps the minister would tell us why. He might also tell us if the two shipbuilding companies he mentioned, the Burrard Dry Dock company and the West Coast Ship Builders, are launching their ships regularly every forty-five days after the laying of the keel. That is a good speed. That is the best record yet made. I venture to say it is not the average time in which these ships are built—or anywhere near it. I hope the minister will explain just what the position is so that we may do everything we can to see that our war production is carried on with the maximum speed.

Mr. DIEFENBAKER: I am going to return to a subject with which I dealt the other day, namely, aircraft and aircraft production in this country. I think it is particularly appropriate to do so to-day following the visit of Madame Chiang Kai-shek and the interview she gave to the press to-day in which she said that the greatest contribution Canada could make to China in pursuing the war to a victorious conclusion was aircraft.

The other day I asked a number of questions which I realize the minister has not yet had time to answer, because a variety of other matters have since been brought up. I am going to give a few more details to the end that the minister may be able in his reply to explain the situation in our aircraft industry in Canada.

I believe it can be said without fear of serious contradiction that the war production by this dominion in many phases has been

wonderful. I think in fairness that should be said. But so far as aircraft production is concerned our record has been a lamentable one to date. I feel that at this time, in view of the increasing importance of aircraft production, a larger proportion of the expenditure to be made by the Department of Munitions and Supply this year should be devoted to aircraft production. We have the aluminum. The production of the Mosquito bomber is a matter of plastics. All we in Canada require, having the man-power with the necessary qualifications—to which the minister paid high tribute the other day—is a reorganization of the aircraft production to achieve a greater output. The minister has fifteen controllers in his department, and in each and every case those who have responsible duties to perform have also advisory committees. The only exceptions are those of the coal controller, the power controller, and one other. But from the very beginning, since the appointment of the controller, Mr. Bell, he has been the boss of his branch—of course, under the minister—and he has operated without a committee.

One thing which strikes me as passing strange is that while across the line in the United States very full information regarding production is given, the information which is published by the Department of Munitions and Supply is not as complete and has been on more than one occasion not in accordance with the facts. I wish to refer to one publication in particular of the department, entitled "The Industrial Front," revised to January 1, 1943, and apparently designed to show what a wonderful expansion there has been of aircraft production in Canada. At page 33 it states:

> Prior to this war, less than 40 aircraft were produced each year.

That statement is not a fact.

Mr. HOWE: Make it 240.

Mr. DIEFENBAKER: Yes.

Mr. HOWE: Make it large enough.

Mr. DIEFENBAKER: The minister says, "make it 240," and that would be approximately the truth.

Mr. HOWE: Probably about 140.

Mr. DIEFENBAKER: Yet an official document issued by the department contains this statement, which is not in accordance with the facts. The minister quite frankly admits it now. As a matter of fact, as regards 1938, the year before the war, the minister's own statement in 1940 was that the production was 282. Things like this undermine confidence in official statistics. Official documents published under government authority making statements so far removed from the truth as that only forty planes were produced prior to the war, while the minister frankly says now that the figure should have been 240, undermines confidence in official publications.

In United States one-fourth of the war expenditure of the nation this year is being devoted to aircraft production. The United States realizes that when the war is over, a gigantic aeroplane industry will be of tremendous importance. The war information board of the United States recently stated that when this war is over seventy per cent of civilian overnight travel will be by air.

Canada should augment her aircraft production now. What is the record? All of us admit that idle machines and idle men in aircraft factories or any other type of war industry mean wasted lives. Take the Malton plant. A change was made recently in this plant. There has been something seriously wrong with the production of aircraft in this plant right from the beginning of the war. And the minister acted. In November last he had the plant expropriated and the government obtained outright ownership from that date. The men who operated this plant were paid $4,000,000 therefor, and the government assumed the liabilities in connection with the plant as of that date, liabilities which are estimated at $1,760,000. The sessional paper states:

> All amounts allowed or allowable to the company by way of depreciation . . . will be absorbed in the costs of production of planes manufactured and delivered up to that date.

Special depreciation was taken into consideration in the amount of $2,253,597, and normal depreciation of $791,856.

To-day I think we are entitled to information as to how many planes ever came out of this plant. What is the record? What was the cost per plane? What are the comparative unit costs in this particular plant as compared with plants in the United States?

Let me point out furthermore that this company, the National Steel Car company, made profits during the period it was in operation. The net profits from June 30, 1942, to November 5, 1942, were estimated at $513,665. The return continues:

> . . . that was partly the company's estimate of the profit it hoped would be allowed on contracts providing for audited cost plus a profit mutually acceptable to the government and the company as a fair and reasonable profit.

The question I should like to ask in that connection is, what was the percentage of profit that was finally agreed upon as mutually acceptable to the government and the company?

Mr. HOWE: That is set out in the order in council. It has been tabled.

Mr. DIEFENBAKER: Yes; those details are set out, but not the particulars I have asked for.

Mr. HOWE: Oh, yes.

Mr. DIEFENBAKER: If my understanding is correct, the only particulars that are set out in the order in council are those giving the information I have already mentioned. The total cost of the work received by this plant from the inception to November 5, 1942, was $18,935,472, or almost $19,000,000. It will be a very simple matter, if the minister informs the committee how many planes have been turned out of the different types, to compute whether this plant was efficiently operated.

Mr. HOWE: And deduct the stocks on hand.

Mr. DIEFENBAKER: That is perfectly true: there would be a deduction of the stocks on hand. The general impression among those who are in a position to know is that this plant did not operate efficiently and was permitted to continue so to operate for a long period of time after it must have been realized by the government or the controller that such was the situation.

I realize that the government made no capital advances to this company, but it did provide assistance for machinery, jigs and tools, and the like. What was the value thereof? What control did the government have over the supplies that it gave this plant? Has the amount of the indebtedness of this plant been finally determined yet? Furthermore, even after the taking over of the plant, has there been a continuing small production or the assembling of the bombers that are to be produced there? What is the situation?

We were given to understand, if the press reports were correct, that a Lancaster bomber was expected to be produced in the month of April. The date is now, I believe, a good deal later than that, certainly not during the present month. All these things point to laxity or delay which requires reorganization if Canada is to contribute her share in the aircraft division of the minister's department.

Is there any reason why there should not be set up to-day an advisory committee of industrialists trained in aircraft production, or in other production, to assist the present controller? For the record during the past two years, during the period of the control of Mr. R. B. Bell has been such that in my opinion any fair-minded man must agree that some change, some addition, some counsel must be given him.

I pass on to the matter of the de Havilland plant. All we know about that is that recently a controller was placed in charge of this plant. He has wide authority and is assisted by an advisory board. What are the facts in this connection? Why were changes made? What has been the record of the de Havilland corporation in the production of aeroplanes? These are matters that cannot be helpful to the enemy. The information I ask for is given daily in the United States of America. Production is stated month by month.

Mr. HOWE: For each plant?

Mr. DIEFENBAKER: The total production is stated. We visited recently two plants in Buffalo producing types of fighter planes and there was no attempt at concealment of production.

Some hon. MEMBERS: Oh, yes.

Mr. TRIPP: Did you get that information in Buffalo?

Mr. DIEFENBAKER: Yes. I was present with five others at the time the statement was made.

Mr. HOWE: Tell us what it is.

Mr. DIEFENBAKER: I am not going to be brought into that. I will tell the minister.

An hon. MEMBER: It is an approximation.

Mr. DIEFENBAKER: I can tell the minister.

Mr. HOWE: I can tell the hon. member what it is, but I get it in the strictest confidence myself. It is a secret list. It is carefully guarded in every country.

Mr. DIEFENBAKER: As an hon. member says, it is approximate.

Mr. TRIPP: Some of the rest of us could not get it.

Mr. GRAYDON: Do not blame him for that.

Mr. DIEFENBAKER: I should like information with regard to production since 1942. Is this house and is the country not entitled to information as to production of these planes? According to the press the minister from Canada to Australia gave production figures. Why should we not have information in this house?

Mr. HOWE: He is a good man to give it because he does not know what it is. He cannot violate secrecy there.

Mr. DIEFENBAKER: If the minister of Canada to Australia did not know what he was talking about, that is a tribute coming from the Minister of Munitions and Supply to the appointment of the representative of this government in our sister dominion. In any event, let us have the record prior to September, 1942, in this plant. How many man-hours were taken in the production of planes in this plant? I know the minister has devoted himself to his duties. No one will pay a higher tribute to him for devotion to his job, and in what I am saying I am interested in the improvement of the situation. Many of the criticisms from this side of the house have been so accepted by the government in the past. The only way in which this situation with regard to aircraft will be improved is by adopting the attitude taken by this opposition, asking for information and demanding improvement. In Britain it was Beaverbrook; it was members on the government side of the house, who in May, June and July, 1940, in season and out of season, put before the government the necessity of expanding the war programme. They were told by members of the government that all was well, but they knew differently. It is in that spirit of service that I bring the situation to the attention of this committee.

If these factories are not producing what they should, we should know the reason why. The management in the Malton plant were not removed just for the amusement of the department. The change in the de Havilland plant and the substitution of Mr. Glassco as controller was not made unless there was a reason. Changes were justified, and in the set-up within the Department of Munitions and Supply there should be an aircraft advisory committee similar to those which have done such magnificent work in certain other fields of production. I am not going to say more at this time, except to point out that the appointment of Mr. Glassco as controller indicates that inefficiency did characterize the operation of this plant.

Unless these matters are brought before parliament, as members of the opposition have the right and responsibility to bring them before parliament, how are we to know that the same conditions will not prevail and continue next year? I am asking the minister, within the confines of public security, to give these figures: how many man-hours were required for the production of each type of plane manufactured by these two companies during the past year? If he cannot give us the record as to the number of planes, and apparently he has taken the stand that he will not do so, in spite of the fact that he stated that this plant is expected to produce five Mosquito bombers very shortly—

Mr. HOWE: I will give the hon. member quite a lot of information.

Mr. DIEFENBAKER: Then we have been arguing at cross-purposes.

Mr. HOWE: I have not been arguing. I have been saying that the situation in the United States was not just as easy as the hon. member was suggesting.

Mr. DIEFENBAKER: The minister indicated that this information might not be given.

Mr. HOWE: I did not say so.

Mr. DIEFENBAKER: Then we can get the information. When we read between the lines of the order in council appointing Mr. Glassco, as I say it must be obvious that this plant failed to do its duty; and the circumstances in connection with the taking over of the National Steel Car plant are equally indicative of the same condition. The order in council appointing Mr. Glassco under date of June 7, gives him exclusive power, in conjunction with certain assistants, to operate this plant. In that work he will be a servant of the Department of Munitions and Supply and be under the control of Mr. Bell. Parliament has a right to full information in this regard.

As I remember the minister's statement the other day, it was that there had been a continuing increase in the production of aircraft in Canada since the beginning of the war. I pointed out that a year ago we had the same nine types of planes we are producing to-day; yet now we are producing approximately eighty planes less per month than we were producing at that time. The reply was that in point of tonnage there would be an increase. If that is so, let us have the record for 1941 as to the tonnage of planes produced in Canada and the record for 1942 in that connection. I do say that since other of the organizations and agencies under the Department of Munitions and Supply have arrived at the point of full production, having regard to the need for aircraft both now and in the period after the war, attention should be concentrated now to the end that the conditions which have been prevalent in this country in connection wth aircraft production shall no longer continue to exist.

Mr. HOWE: I have been waiting for some time for an opportunity to answer some of the questions that have been asked. There

seemed to be two inquiries, one as to the National Steel Car plant, which is now called Victory Aircraft, and the other in regard to the de Havilland plant. First let me mention the controller of aircraft. As the hon. gentleman has said, we have fifteen controllers, but Mr. Bell acts in a dual capacity. As controller of aircraft his duties are very light; he simply has the power to determine what the facilities of the aircraft industry will be used for. It is as director-general of aircraft production that he directs the production of aeroplanes. While he has no committee as controller, he has a committee as director-general.

Mr. DIEFENBAKER: Who are on his committee as director-general?

Mr. HOWE: It is a committee representing all the aircraft branches; I could not tell the names.

Mr. DIEFENBAKER: Could we get that list?

Mr. HOWE: Yes, I shall be glad to get it, and we have the production committee under the Department of Munitions and Supply, of which Mr. Bell is a member, under the chairmanship of Mr. Carmichael, and that committee also gives a good deal of attention to the aircraft situation. I do not think the hon. member intentionally led the committee astray when he said that a year ago I mentioned that we were down to nine types of planes. We announced a programme for the future, of nine types of planes.

Mr. DIEFENBAKER: No.

Mr. HOWE: Read your *Hansard*. At that time we had many more than nine types of planes.

Mr. DIEFENBAKER: On a point of order, on May 14, 1942, at page 2435 of *Hansard* the minister said:

> We have now reduced our production to nine types of planes, and the plants are cleaning up old orders and concentrating on one type of production for each plant with accordingly improved results.

Those are the minister's words.

Mr. HOWE: That is what I say. We were cleaning up old orders, for other than the nine types of planes; we were making a number of planes of which we have gone out of production in the last two or three months. In other words, we have cleaned up the programme. Our objective has been to get down to a production of nine types of planes. Unfortunately, two or three of these planes are not in production yet. From the time you get the blueprints of a plane and undertake its manufacture, a certain period must elapse which, for some reason or another, which I cannot explain, is fifteen months. We can set our objective at eleven months, twelve months, or anything else, but from the time we undertake the production of a new plane until that plane is rolling out at maximum volume, the elapsed time is about fifteen months. That interval seems to be inevitable.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. HOWE: Before recess I was discussing the time taken to bring new planes into production.

Mr. HANSON (York Sunbury): The gestation period.

Mr. HOWE: Yes, although I see no reference to that in *Hansard*. As a matter of fact, the new programme is not fully in production as yet. We are producing the new trainer planes included in the programme to full capacity, except in respect of the Anson. I refer to a new type of Anson, and it is not up to full capacity, owing to drastic changes in the type of fuselage. It is now being made of plastics instead of metal, and the plastics plant is not operating to full capacity. However, the trainer programme is well under way, and it is just a matter of weeks until that programme is running at full capacity.

In respect of combat planes I would say the PBY Catalina flying boat programme is progressing favourably. It is not fully up to capacity, but the fact remains that we have turned out a large number of Catalinas. We are not particularly worried about that programme.

The Mosquito programme has been sticky. I think we underestimated the time necessary to get into full production on that item. The hon. member for Lake Centre (Mr. Diefenbaker) asked how many Mosquitoes we had turned out. At the end of last week twenty-one had been accepted. The production is not stepping up as rapidly as we had hoped; but the components plants are now operating well up to capacity, and I think it is only a matter of weeks until we shall have production approaching the objective.

In respect of the Lancaster bomber we are getting very close to production. In about

two or three weeks the first completed Lancaster bomber will be test-flown, and it will be only a matter of hours until the second plane will come off the end of the assembly line.

The navy dive bomber is not in production as yet. There have been many changes in design, and I would hesitate to say just when the navy bomber programme will be well under way. Two plants are engaged in this programme.

Mr. ADAMSON: Is that a plane of United States design?

Mr. HOWE: Yes, it is designed by the Curtiss company.

I now direct my attention to the transaction which resulted in the government acquiring the plant of the National Steel Car company. The aeroplane plant of National Steel Car was a privately built and privately owned plant. It had had a rather unsatisfactory career, so far as management was concerned. There had been a number of changes in management. Finally the department took a hand in the situation and persuaded another firm to give up a very experienced manager. National Steel Car undertook to place this manager in control of the plant, under certain terms agreed upon between themselves and the Department of Munitions and Supply.

The crisis occurred when, without warning to the Department of Munitions and Supply, this new general manager was dismissed by the directors. I might point out that in the meantime Mr. Magor, chairman of the board of the company had died. The fact that arrangements covering the new management were made directly with Mr. Magor, and involved his personal attention had, I think, some bearing on the situation which developed. I think if Mr. Magor had been in charge the situation would not have arisen. However, it did arise, and the board of directors dismissed the manager, and made no suggestion as to any replacement.

Mr. GRAYDON: How long had the manager been there before he was dismissed?

Mr. HOWE: I cannot say, but I would estimate that it would be perhaps ten or eleven months. We received petitions from the men in the plant demanding that the manager be retained, and saying that a general strike would occur if he were not retained. We received a letter signed by a great number of the office workers asking that the general manager be retained. After some discussion with the directors the government decided to expropriate the plant. As a result the plant was expropriated, and a crown company was formed, with Mr. Bickell as president, and with the general manager who had been dismissed as general manager.

I believe I can report to the committee that subsequent events have justified the action taken by the government. Many people well-qualified to judge have visited the plant recently, and have told me that the organization is shaping up splendidly, and that it will be able to produce in volume when the flow of planes begins. I am told that to-day it is a first-class plant.

On the financial side I might explain that we took over the property as a going concern. We went back to the building of the plant, and used the actual building costs. We subtracted from the building costs the depreciation that had been paid to the owners by way of accelerated depreciation. We took account of the profits—possibly I should not say we took account of the profits; we simply took the revenues and expenditures, and we treated the profits as a separate item, and fixed our own margin of profit for the full period that the plant had been operated. We took the stocks in hand and checked them against the books. We took over the assets and liabilities of the company, as a going concern, at an agreed upon price, the details of which are covered fully in the order in council which has been tabled in the house.

Mr. DIEFENBAKER: What was the rate of profit?

Mr. HOWE: I have not the order in council before me. Has my hon. friend a copy of it?

Mr. DIEFENBAKER: I have not it here.

Mr. HOWE: It is two or three hundred thousand dollars.

Mr. DIEFENBAKER: What was the rate?

Mr. HOWE: There was no rate. We simply assessed the work that had been done, and placed on it a profit we considered reasonable. Probably I shall be in a position to give more exact information later on.

Mr. HANSON (York-Sunbury): The company had never been in actual production?

Mr. HOWE: Yes, it had produced.

Mr. HANSON (York-Sunbury): I am glad to be corrected on that.

Mr. HOWE: Yes; it is difficult to represent production as a definite number of planes. A certain number of planes were built. They built Lysanders. An order of Lysanders, for both Canadian and British governments, was built at the plant. It was also engaged on the Anson production. Then, it was engaged

on Hampden and Hurricane wings. As my hon. friend knows—perhaps I should tell him—this plant was in a group of six plants which produced the Hampden bomber. Its part of the Hampden work was completed, as well as the order for Lysanders, and some 200 Anson planes. They were actually built and turned out at the plant. In addition, the plant did a large volume of work on spare parts for Canadian and British orders, and also assembly and overhaul work on Canadian planes.

Mr. HANSON (York-Sunbury): What was the specific charge against the previous management? I do not think that was ever made clear.

Mr. HOWE: There was no charge against the previous management, but a board of directors cannot operate a plant efficiently except through a general manager. The board of directors dismissed the general manager whom we had gone to great effort to provide for them and who had an excellent record in Canada as a producer of aeroplanes. They had no replacement in hand, and they had no suggestion of replacement.

Mr. DIEFENBAKER: What was the explanation for the dismissal?

Mr. HOWE: That he would not carry out the orders of the board of directors. I believe it was an internal quarrel.

Mr. DIEFENBAKER: To keep production up to a certain point?

Mr. HOWE: No; it had nothing whatever to do with production.

Mr. HANSON (York-Sunbury): What was the charge against the previous general manager who did not satisfy the government?

Mr. HOWE: He was not dismissed by the government; he was dismissed by the board of directors.

Mr. HANSON (York-Sunbury): Then you intervened. He was let out because you were not satisfied.

Mr. HOWE: Oh, no. Does my hon. friend mean the last general manager?

Mr. HANSON (York-Sunbury): I mean the man previous to the man you brought in.

Mr. HOWE: They were without a general manager when we took David Boyd from Canadian Car and Foundry and made an arrangement with Mr. Magor that he would be general manager of the plant. To-day the plant is an efficiently operated unit. The first Lancaster bomber will come off the assembly line within a matter of two or three weeks. The plant is completely jigged up and there will be substantial production.

Mr. HANSON (York-Sunbury): The minister has said that the expropriated price was an agreed price. How did that affect the shareholders? Did they suffer a capital loss, or were they protected?

Mr. HOWE: They got their money back.

Mr. HANSON (York-Sunbury): And a profit?

Mr. HOWE: And a profit.

Mr. HANSON (York-Sunbury): They were well looked after.

An hon. MEMBER: They always are.

Mr. HOWE: They got their money back by way of accelerated depreciation paid while they owned the plant, plus the balance which was paid when the plant was taken over.

Mr. HANSON (York-Sunbury): They lost nothing.

Mr. HOWE: So much for Victory Aircraft. The de Havilland plant is a subsidiary of the de Havilland Company of the United Kingdom. This plant had an excellent record. It was perhaps the largest of the pre-war aircraft plants. It was building the Moth plane before the war and it was first in the production of the Moth trainer, of which a great number were needed by the air force. Both the Moth and the Fleet were manufactured before the war and therefore the primary trainer was never a problem as far as supply was concerned. The de Havilland Company undertook a large share of the Anson programme and that was carried out in first-class style. Perhaps the performance of de Havilland on the Anson contract was the best of any of the several plants that were building that plane.

The plant then undertook to organize a very large operation in the building of the Mosquito bomber. This involved subcontracting on a large scale and the organizing of the de Havilland plant for final assembly. Certain objectives were set, but those objectives were not attained. The department put pressure upon the directors and the management of the plant to put their house in order and to obtain production. Differences arose between the management of the plant and the Canadian members of the board of directors—the board was made up of seven members, of whom three were British and four were Canadian, very responsible business men—and these differences reached the point

where the four Canadian directors sent in their resignations. We attempted to get the British company to intervene and straighten out the situation, but no action was taken, and finally the Canadian government stepped in and appointed a controller for the plant, with the Canadian directors a committee to act as advisers to the controller.

The controller believes that with the authority of his position he can straighten out the management troubles. There now has been some change in management and we believe that the controllership will be helpful. As soon as we are satisfied that the management has been properly reorganized, the intention is that the controllership will be lifted. After it has been reorganized, the board of directors of de Havilland will be in charge of the plant.

Mr. ADAMSON: Has a new general manager been appointed, or has the old one been removed?

Mr. HOWE: I am not in full possession of the facts of the situation since the controller was appointed.

Mr. ADAMSON: The de Havilland is to be operated as a private company?

Mr. HOWE: It is a private company being operated under a controller appointed by the government. My hon. friend asked for the number of man-hours and the number of planes, his idea being that we could divide the dollars put into the plant by the number of planes produced and know exactly the cost of a plane. Unfortunately it is not that simple. On its Mosquito work I do not suppose the de Havilland plant produces more than twenty-five per cent of the total value of the plane. For example the complete fuselage for the Mosquito is being produced in the plant of General Motors at Oshawa, and the wings are being produced in one of the plants of Massey-Harris. Various other parts of the Mosquito are being produced in other shops in Canada. If we took the number of dollars that have been paid to de Havilland for the work carried on in this plant and divided them by the number of planes produced, we would get a very low-cost plane. No study is possible as yet of the man-hours used in producing the Mosquito, because to date the work has largely been the production of components. A man-hour study is possible only when the assembly line is rolling at somewhere near capacity.

Mr. DIEFENBAKER: What will be the capacity of the assembly line?

Mr. HOWE: We hope to get a production of five planes a day or 150 planes a month. My hon. friend will see that it will take some speeding up to reach that figure, but that is the capacity for which we have organized, not only at de Havilland but at the component shops. As to the cost of planes produced in Canada, we have taken contracts from the United States for planes which are common types, such as the Harvard which is used by our air training plan as well as by the air training plan in the United States. We took the Harvard contract at the standard United States price and have had no difficulty in producing at that price. We took a Catalina flying boat contract at a competitive price and we are manufacturing for the Canadian as well as for the United States government. We are building the Anson plane in Canada. It is of Canadian design and is being bought by the United States government. Evidently they believe that our production price is reasonable for that plane; at least we had no difficulty in signing a contract with the United States government at our production prices. As for the efficiency of our plants, where they are operating at anything like capacity, they compare favourably with anything built on this continent.

Mr. FRASER (Peterborough West): Do the plans contemplate the building of any helicopters?

Mr. HOWE: No.

Mr. FRASER (Peterborough West): You are just going to buy them from the United States?

Mr. HOWE: The helicopter is a machine of the future. No helicopter has been built that is in actual combat service.

Mr. FRASER (Peterborough West): The British are using them for convoy work.

Mr. HOWE: They are using them or talking of using them? So far as I know, no helicopter has been used in combat service, but there are one or two under test.

Mr. REID: A statement was made public in Vancouver at the time there was trouble at the Boeing aircraft plant on Sea island, and according to a newspaper circulated in the district of Richmond certain charges were made by Elgin Ruddell, shop steward of Aeronautical Lodge No. 756 in the presence, it is stated, of an estimated 20,000 people. The statement alleged to have been made is this:

> Production of P.B.Y. bombers at Boeing Aircraft of Canada Ltd. is ten months behind schedule, and the 54 bombers already built have been rejected.

I know that after that statement was made, some of the test pilots who test the planes when they are ready for acceptance by the

government contradicted that statement of the shop steward, but I want to tell the minister and the committee that a statement of that kind had an extremely damaging effect, and I think the minister should now make a public statement to the committee so that the matter can be put straight on the record. Following this charge, I made an investigation and I was given to understand by the management of the plant that the charge made was entirely untrue. After all, however, facts are facts, and I wonder whether the minister would be good enough to make a statement in the house regarding the charge that production of PBY. bombers at that plant was ten months behind schedule and that fifty-four bombers already built have been rejected.

Mr. HOWE: The charge was absolutely unfounded. The Catalinas go into active service as soon as they are accepted at the plant. When the statement was made the management naturally were disturbed. Affidavits were obtained from the test pilots who had tested the planes and also from the Royal Canadian Air Force inspectors who are responsible for checking the planes out of the plant into service. The affidavits were to the effect that there was not a word of truth in the statement. There could not be. We would know about it, if there were any truth in the charge.

Mr. DIEFENBAKER: The minister has stated that Canada is able to compete with prices in the United States in the production of aircraft. Am I correct in that?

Mr. HOWE: We are not only able to do it; we are doing it.

Mr. DIEFENBAKER: Why, then, should Canada not now expand her aircraft production far and beyond what it is to-day? I pointed out this afternoon the fact that in the United States of America one-quarter of the production expenditure this year on the whole United States war programme is for the production of aeroplanes. In other words, this year, according to the estimates given, 100,000 aeroplanes are to be produced in the United States, many of which will be cargo-carrying planes. Canada as yet has not gone in for cargo-carrying planes, nor has it made any preparations for the after-the-war period when cargo-carrying planes must necessarily be produced on a very largely extended basis. We are just entering the era when Canada to all intents and purposes is becoming the geopolitical centre of the world in air transport. To date our production of aircraft has been small, relatively speaking to production in other phases of our war effort. Only the other day I was reading the figures connected with cargo-carrying planes in Canada, which indicated how important this traffic was before the war and how very much more important it will be after the war. These figures show that in 1920 the total amount of freight, et cetera, that was carried in Canadian aircraft was a matter of only 6,740 pounds. That figure rose until in 1936, 22,947,000 pounds of freight and cargo were carried. Even in 1941, with the tremendous reduction in cargo-carrying into the north country compared with what we had in peace times, over 16,545,000 pounds of freight was carried. This is a matter that is receiving the attention of all the united nations but as yet there has been no declaration on the part of Canada. The United States is producing almost exclusively all the cargo-carrying planes produced in North America. I would ask the minister to explain why it is that Canada is concentrating on the production of bombers of the types he named and why no part of our production programme includes cargo-carrying planes. Are arrangements now being made by the joint production board of the United States and Canada whereby, when hostilities are over and the prospect of post-war trade arises, Canada will have her share of the aircraft necessary for her participation in the tremendous expansion that will take place after the war?

I should like also to have an explanation from the minister in regard to the question which I raised the other day, and which I repeat. If we have arrived at a position in Canada where we can compete with production in the United States of America, why should we not now launch out into the production of aeroplane engines? Australia has done so. I know that her position is different from ours but she has done so. Why has Canada up to the present time not done so? I know what the answer was a year ago or a year and a half ago. It was that it would take two years to build up and expand such an industry. But I remember that in 1940, over three years ago, the minister informed the members of this house that it was the intention of the government to canvass the situation with respect to the production of aeroplane engines in Canada, and he indicated at the same time that he expected that the production of aeroplane engines would be proceeded with in this country. I appreciate the explanation which the minister has given, but it is only in this way, by the asking of questions and by frank statements from the minister, that many things

which appear incomprehensible without explanation are explained to the satisfaction not only of the members of the house but of the country.

One thing more. When I mentioned the other day that there was a reduction of Canadian production within a year of from about 400 planes a month to 320 a month at the present time, and that the same nine models are still being produced that were being produced then, the minister made a statement as to which I should like a further explanation. He said, as reported in *Hansard,* at page 3606:

> May I say to my hon. friend that there would be forty times the number of man-hours in the production of a Lancaster bomber than there would be in the production of a Fleet trainer. That is the reason for the smaller number of planes. But the tonnage of planes goes steadily higher.

If we take that statement at its face value, it means this, that Canada's production in tonnage increases year by year. Would the minister furnish the committee with information showing the tonnage of planes produced in 1941, 1942, and 1943 to date?

If I may be allowed, I will look over some of the questions I asked the other day to ascertain whether or not—

Mr. HOWE: Well, Mr. Chairman, I have a short memory. Why not let me take these in small batches?

Mr. DIEFENBAKER: Very well.

Mr. HOWE: My hon. friend asks why we do not increase the production of aeroplanes. I was trying to explain that we are increasing the production, and working very hard at it. We shall still have to find quite a few thousand men for our aeroplane plants to bring ourselves up to our present objective.

Mr. DIEFENBAKER: Are you short of men at the present time?

Mr. HOWE: Certainly we are short of men.

Mr. DIEFENBAKER: To what extent?

Mr. HOWE: Well, we are adding men to our aeroplane plants. As my hon. friend knows, we are trying to cut down less essential parts of the programme and divert men to aeroplane plants. I cannot say how many we are short, but I can say that any man who has any skill at all that is useful in an aeroplane plant will be hired if he goes to the gates.

Mr. DIEFENBAKER: Are the Department of Labour still calling men out of aeroplane plants?

Mr. HOWE: For the armed services?

Mr. DIEFENBAKER: For service.

Mr. HOWE: For service overseas?

Mr. DIEFENBAKER: No; for the armed services in Canada.

Mr. HOWE: Certainly they are.

Mr. HANSON (York-Sunbury): For the draft?

Mr. HOWE: Certainly they are. I said a while ago that the time had come in our programme when the Department of Munitions and Supply were going to ask for no exemptions from the armed services and that is the situation except in respect of men with very unusual skills. When we had to have men; when we were building up from very small beginnings, there were men whom we regarded as essential. To-day the industry is large enough that we do not regard any individual as essential unless he has a very special technical skill.

My hon. friend points out that the programme of aeroplanes in the United States is twenty-five per cent of the total programme, and he asks why ours is not twenty-five per cent.

Mr. DIEFENBAKER: No; I asked why is it not increased.

Mr. HOWE: Well, it is about twenty-five per cent. Does my hon. friend realize that we have a billion dollars of orders on our books for aeroplanes which we are called upon to deliver about July or August next year?

Mr. DIEFENBAKER: Yes; but it is not a quarter of this year's expenditures.

Mr. HOWE: One billion dollars.

Mr. DIEFENBAKER: It is for the two years.

Mr. HOWE: No, no. We have to-day standing on our books unfilled orders to the extent of a billion dollars, and our programme calls for these orders to be filled within twelve months from now—which is a full quarter of our expected expenditure for the current fiscal year.

Mr. DIEFENBAKER: But how much was the expenditure last year?

Mr. HOWE: Well, there is the tooling-up expenditure. We will throw that in, if you like. I do not know how much it was, but we will throw it in, and call it $50,000,000 spent and $950,000,000 to go, anything my hon. friend likes. I am pointing out that the proportion of expenditure on aeroplanes to

the total expenditure is, roughly, twenty-five per cent in this country, just as it is in the United States.

Mr. DIEFENBAKER: Well, I hope all the reckoning is not as loose as that, that I can take off fifty million dollars.

Mr. HOWE: I can take another fifty million dollars off and it will still be twenty-five per cent. The total expenditure for the current fiscal year is, roughly, three and a half billion dollars, and I am saying that aeroplanes delivered on that programme will represent about twenty-five per cent of that value. It may be twenty per cent and it may be thirty per cent, but it is roughly twenty-five per cent.

Mr. HANSON (York-Sunbury): The minister means that that is the objective, anyway.

Mr. HOWE: Yes. In other words, our programme is about the same proportionately as the programme of the United States, in so far as the current fiscal year calls for provision of aeroplanes.

Mr. DIEFENBAKER: But what was the proportion last year?

Mr. HOWE: I cannot say that. Let us answer one question at a time. We have still several hours to go. Do not shoot questions so fast. The hon. member has four in now. Let him sit down and allow me to answer these four, and then he can ask some more.

Mr. DIEFENBAKER: I am rising—

Mr. HOWE: I have the floor.

Mr. DIEFENBAKER: Mr. Chairman, I am rising to a point of order, even if the minister has the floor, and my point of order is this. I am asking the minister a very courteous question: what is the expenditure—

Mr. HOWE: That is not a point of order.

Mr. DIEFENBAKER: What was the expenditure last year?

The CHAIRMAN: On the point of order, the hon. member for Lake Centre must realize that he has asked many, many questions. It is absolutely impossible for the minister, with the assistance that he has, to answer them all in rotation unless he is allowed the time to do so, without interference. On this point of order I call attention to standing order 41, citation 312 Beauchesne, at page 103:

> Whilst a member is addressing the house, no one has a right to interrupt him by putting a question to him, or by making or demanding an explanation. A member will at times allow such interruptions through a sense of courtesy to another, but it is entirely at the option of the member in possession of the floor to give way or not to an immediate explanation.

[Mr. Howe.]

Mr. HANSON (York-Sunbury): I suggest that that does not apply when the house is in committee. If the Chairman will read the rules he will know that that refers to when Mr. Speaker is in the Chair.

Some hon. MEMBERS: Order.

The CHAIRMAN: With due respect to the hon. member for York-Sunbury, I have read the rules, and I have given my ruling.

Mr. CHEVRIER: The hon. member has no right to cast any reflection on the Chair.

Mr. HANSON (York-Sunbury): What county is heard from? If the hon. member wants to say anything, let him rise in his place.

Mr. HOWE: There can be only one member on his feet at a time. If we can preserve that rule I shall be very glad to carry on.

With regard to the hon. member's question, my officers have made a rough calculation and say that for the last two years the production has amounted, roughly, to twenty-five per cent of the total expenditure. What is the next question? I wish I could answer these one at a time.

Mr. HANSON (York-Sunbury): As to cargo planes and engines.

Mr. HOWE: As a matter of fact Canada has not overlooked the building of cargo planes. We have been building the Norseman for the last year. They are coming off the line as fast as we can turn them out, and they are being eagerly taken up not only by this country but by the United States. We expect to be in production of another cargo plane. I do not like to say anything about it; as a matter of fact I have not said anything about it. It is a transoceanic plane which is built wholly for cargo purposes. We have started also the design of a plane which we believe will be the ideal plane for Canada for transport work.

Mr. HANSON (York-Sunbury): Would that be something like the Commando or the Curtiss-Wright?

Mr. HOWE: The Commando is a twin-engined plane and I believe this is a four-engined plane. But it will be a wholly modern transport plane. I ask hon. members to keep in mind that at the present moment this is in the design stage. It must go from the design stage to the complete design stage and then it must go through the production stage. That means that it is two or three years away. Nevertheless we are designing a plane of all-Canadian design which we think will be the

plane of the future. It is the first time that Canada has ever undertaken that type of designing job.

Mr. GRAYDON: Would the minister object to telling the committee where that cargo plane of the type he has just spoken of will be built? If he has any objection to answering I would not want to press it.

Mr. HOWE: Well, I would rather not, if my hon. friend does not mind. There are reasons why I prefer not to give information about that plane at the moment.

Mr. HANSON (York-Sunbury): It has not reached the stage where you have designed, anyway.

Mr. HOWE: The hon. member was speaking of the plant that I was discussing before?

Mr. GRAYDON: The Norseman.

Mr. HOWE: That is in the Noorduyn plant in Montreal. There is another plane being turned out in another plant which we hope to have coming off the assembly line in September or October of this year. It will be the north Atlantic type of plane. We are starting the design of a plane which will be wholly Canadian designed and Canadian built. It is well on in the design stage at the moment.

The question was asked why we did not start now with the building of engines. I told the house, perhaps two years ago, that I had obtained an appropriation from the government to undertake the building of aeroplane engines in this country and was investigating the situation. As a matter of fact, I once upon a time obtained an appropriation of $40,000,000 to build a plant for aeroplane engines in Canada. Exhaustive studies were made and we decided on a type of engine that we would build here. The construction of the plant, the training of operatives and the installation of machinery were to cost $40,000,000. We got to the point where it was a question of buying machinery. Machine tools at that time were in very great demand. The United States was not in the war at the time, but the munitions business there was stepping up to that point where they were reluctant to allow any unnecessary drain of machine tool capacity from outside. The Canadian industry was expanding rapidly. There was a tremendous demand for machine tools here. I went to the United States with a request that we be authorized to buy machine tools to the value of $15,000,000—critical tools which were in great demand in that country. I was courteously received, but I was told that it was impossible for the United States to authorize that expenditure on tools. I pointed out our position at that time. Our source of engines was England and that had been cut off. It was just after Dunkirk and we could not obtain engines from the other side. I said that I must have engines. I was told that we could get our requirements. A few days' production from their assembly lines would meet our needs, and they said they would undertake to give us engines. Canada has never had an areoplane waiting for an engine since that day. The promise has been kept and kept well. Had we built those engines we would have used a great deal of man-power, and man-power of a skilled type was exceedingly scarce at that time. Indeed, it is no more plentiful to-day than it was then.

The building of engines is an exceedingly intricate job that calls for great care. We could have built engines in Canada, but we would have been building one type of engines whereas we have planes using perhaps fifteen types of engines. We have changed engines in our planes from time to time. For instance, the Anson plane has been re-engined twice, and we are now bringing out still a third type of plane which has a third type of engine, each type being of a somewhat higher horse-power. By having a sure supply of engines, we were able to choose a particular type of engine that would give the best performance in the planes we built.

We obtain other items from the United States. We obtain the larger type of diesel engine used in their tanks. We could build diesel engines here, but we are satisfied to buy diesel engines from the large output in the United States. If we had undertaken a policy in this war of building every part of every munition we have turned out, we would have built far fewer munitions than we have under the present arrangement. I can also say that we build certain parts of munitions in Canada for which we are sole suppliers to the United States. Even the United States have not thought it necessary to be wholly self-contained in its munitions programme. They are quite willing to depend on Canada for certain components for munitions that are built in the United States.

As regards our future in aviation, the government is not in any way handicapped by the fact that we do not build engines in this country. We have a certain source of supply, and we can go on with confidence and build frames with the knowledge that our engine requirements will be met when the time comes. That is the story of engines.

Mr. ROSS (Souris): The day before yesterday I raised two or three questions. The minister has perhaps not yet had time to answer them. Does he care to answer now?

Mr. HOWE: Steel for agricultural implements?

Mr. ROSS (Souris): That was the first question.

Mr. HOWE: We have followed fairly well the policy of the United States in meeting the requirements of the agricultural industry, and necessarily so, because we are a deficit country in steel, and a considerable part of our requirements comes from the United States. In 1942 we followed the policy of the United States in supplying twenty-five per cent of the steel for agriculture which was supplied to that industry in 1940. In this year we have also followed the United States in providing eighty-five per cent of the steel for agriculture that was supplied to agriculture in 1940. In other words, in the current year we have increased the steel allocations to agriculture by about 120 per cent.

Mr. ROSS (Souris): Would the minister say something about the service stations staying open on Saturday nights?

Mr. HOWE: The present regulations provide that they may stay open until 9 o'clock on Saturday evenings.

Mr. ROSS (Souris): That has been passed for this year?

Mr. HOWE: It carries on from last year. The difficulty is that the operators are having a hard time in manning the stations, but the stations that stayed open in the evening last year have the continuing right to stay open this year. The privilege has never been cancelled. and the same stations can do so. There has been no great demand for an extension of the time to 10 p.m. I have discussed the matter with the oil controller, and he says that if there were a large demand for an extension of an hour he would not have any great objection, but he himself had never received that request.

Mr. ROSS (Souris): There was a third question about the reclamation of used lubricating oil.

Mr. HOWE: That does not come within my province. The Department of Munitions and Supply supplies the requirements of the armed services. We supply whatever the armed services requisition, but salvage is a matter for the armed services. Waste lubricants belong to the army, the navy or the air force, as the case may be, and they are entitled to make their own arrangements for salvage. I understand that the army have reclaiming plants.

Mr. PERLEY: I have tried all day to get the eye of the chairman and I have only now succeeded. May I say, first of all, that there seems to have been a misunderstanding as to how this discussion should be carried on. We agreed after the Minister of Finance had made his statement and presented his budget to take up the different services. The ministers of the different departments, we understood, would come on and we would have a general discussion; then we would go into each particular item, and the discussion would then be confined to that item. I thought that was still the understanding when we began this discussion after the minister made his statement last Friday, but we seem to have been jumping all over the map. I can only hope that this will facilitate getting through these items as we come to deal with them, which I expect will be within a few minutes after this first item is passed.

When the house adjourned late yesterday afternoon we had spent practically the whole sitting on the question of rubber, and I thought almost everything had been said that could or should be said. But when we started in again this afternoon the question of rubber came up again, and except for the times when the minister was endeavouring to answer some of the questions asked by the hon. member for Lake Centre we devoted most of the afternoon to the same subject. The only additional contributions that we got this afternoon, as compared with what was brought up yesterday, was the statement that the minister is going to see that investigations are continued into the production of synthetic rubber from alcohol produced from wheat. I think he also agreed that if in their experiments they find a greater possibility than is apparent now that rubber may be produced in this way, then the suggestion of the hon. member for Rosetown-Biggar, which I think I mentioned myself yesterday as well, will be accepted and the industry will be commenced in western Canada where the raw products are produced. I think those were the only two matters of any consequence that came up this afternoon in addition to what was said yesterday.

On Friday last the minister reviewed the work of his department for the past three years, then dealt with the present, and in these estimates is providing for the future. He dealt with the matter from those three aspects. I find that during his statement he mentioned in detail some twenty articles or commodities

produced under the supervision of his department. During the discussion yesterday and to-day, I think we have touched upon half of those commodities; so that, as I said before, I hope that when we come to deal with the specific items the discussion we have had already will facilitate their adoption. The one point which I believe should be kept in mind is the fact that we started practically from scratch in 1939; that was the thought expressed yesterday by the hon. member for Yale. Having that in mind, and looking at the information we have been given as to what has been done since then, I think to be fair we must say that a great deal has been accomplished; I was going to say that the department had done wonders. Of course we must consider also the cost of all this, including the assistance given to industry. I believe the minister was quite frank in that regard and in answering the questions which we asked along that line.

Following the statement made yesterday by the hon. member for Yale, I was impressed also by the statement given by the minister's assistant, the hon. member for Stormont. I think a precedent was established on that occasion. The hon. gentleman outlined to this committee how the whole organization has been set up; how it carries on; how it controls the cost and the price of various commodities, and so on. I believe the minister made the statement that by means of this organization, imperfect though it may have been, a saving of $155,000,000 has been made, and I have no doubt that is correct. I think the minister is entitled to a great deal of credit in that respect. Then the hon. member for Stormont went on to deal with the question of control, and in dealing with the question of auditors said that they had men in the various branches who were capable of properly appraising the value of the component parts going into any article produced. If that policy is continued they cannot but do good work.

Then the hon. member dealt with the question of contracts, how they are let and how they are controlled. I think he divided them into two classes. The first class to which he referred he called contractors who are cost-conscious, which I would interpret to mean in plain English contractors who are honest.

Mr. HOWE: No, Mr. Chairman, that is not fair. By "cost-conscious" we mean contractors who are always looking for a chance to reduce the cost, who keep an open mind and try to improve the methods used.

Mr. HANSON (York-Sunbury): That is honesty, is it not?

Mr. HOWE: But a contractor who takes a job and does it as the manual calls for it to be done is also honest. Perhaps he has not as much inventive genius.

Mr. PERLEY: Perhaps the minister and I are saying the same thing in different ways, but I say that a contractor who appreciates that it is his responsibility and duty to endeavour to produce the article at the lowest cost possible is making a contribution to our war effort. In that connection I believe the hon. member for Kootenay West made a splendid statement this afternoon in which he did credit to himself and to Consolidated Smelters plant at Trail, when he dealt with the cost of the commodity being produced there.

Then the hon. member for Stormont referred to the other class of contractor and went on at some length to discuss the difficulties that have been experienced at times with respect to some of these contractors, showing how they are controlled and so on. In my opinion the hon. member gave a splendid outline of those items which enter into the question of cost and those other items which, practically speaking, do not. I think the precedent established was good, and I believe that if the other departments had followed the same practice, hon. members would have obtained a great deal of information which would have obviated much of the discussion that took place in connection with the three departments with which we have dealt. Then I believe the leader of the opposition made a valuable contribution the other evening when he made a plea for consideration for labour and the little man, as he termed him. If labour and agriculture get the proper consideration in connection with this industrial programme, I think it will go a long way to preserve our democracy, and I hope the minister will take that into consideration. I do not believe any group of people should have the control that we are led to believe some of them have.

Hon. members who have spoken already have reviewed the minister's statement in some detail and in turn have asked for information to which the committee was entitled and which I think the minister gave as fully as possible. Some hon. members have made constructive suggestions, and it is only right that they should do so. On two or three occasions the hon. member for Lake Centre has made a worth-while contribution to the debate when he has asked for certain information. Some of that information he has received and some of the replies may not

have satisfied him. The fact remains, however, that we now have information we did not have before.

The hon. member for Lake Centre dealt with assistance which had been given to industry, the establishing of industry, and conditions in the post-war period. He concluded his speech of a few days ago by offering four constructive suggestions, and hon. members will find them at page 3605 of *Hansard*.. It will be found that he referred to a plan for the demobilization of industries, and outlined what might be done with some industries in the post-war period.

His first suggestion was that there should be a determination of the basis upon which sale or disposition should be made. That recommendation has been covered to a certain extent by the minister, and we hope it may be enlarged upon still farther. He recommended, in the second place, that there be a government plan now for the conversion of war-time industries to peace-time economy and production. His third recommendation was that there should be a determination now as to which plants will be continued after the war for stand-by purposes. His last recommendation was that there be a plan of assistance to small industries after the war by way of loans, to stimulate the change from the war-time to peace-time economy, coupled with technical advice as to the most appropriate use of their facilities in peace-time production.

I believe, if the last recommendation in particular, is considered, some of these industries would be placed in western Canada. One might refer particularly to the implement industry. Surely implements should be produced in western Canada, where they would be needed, and facilities could be set up for refitting or repairing many of the implements which to-day are standing idle. Possibly some of those implements are idle on account of a lack of man-power, but the fact remains that they are not being used owing to the circumstances under which farmers are being forced to farm.

The hon. member for Rosetown-Biggar made a commendable contribution to the debate when he dealt with the aluminum company, and the power development at Shipshaw. I shall not discuss that matter in detail, because when we are considering the item we shall no doubt hear more from the hon. members concerned and the minister.

Listening to the hon. member for Rosetown-Biggar and some other hon. members, I have been disturbed when I have thought of the stranglehold that some of these large industries have upon Canada's resources, and the control they exercise in respect of the development of those resources. This should be dealt with, and in such a way that we shall not lose control.

The hon. member for Davenport has spoken several times about the production of oil from tar sands. I think however, that on the last occasion he spoke he made an exceptionally clear presentation of the subject so much so, in fact, that I believe he impressed the minister. I should hope that the minister might consider carefully the facts presented by the hon. member for Davenport, and that as a result we might see a development in the processing of these sands. The minister pointed out last night that certain ingredients might be removed from the crude oil, but that the quantity of gasoline produced would not be lessened. It would seem, therefore, that careful consideration should be given to the development of these tar sands. One might visualize a great development in this respect in the reconstruction period. I need only add that I am sure agriculturists will do their part and make a worth-while contribution when called upon to do so.

I should like to refer for a few moments to a matter I brought to the attention of the house last Monday, namely, the invention of a new carburettor by Melford J. Ball of Weyburn, Saskatchewan. I refer to the matter now because I do not think I was given the opportunity I should have had on Monday to bring the matter to the attention of the minister. I believe that in speaking when the orders of the day were called I was in order. However, as I was then ruled out of order, I shall place the facts before the minister this evening.

This young man from Weyburn has invented a carburettor. The invention has been tried out on standard models of cars, and has had the result of increasing their gasoline mileage by over fifty per cent. Associated with Mr. Ball is a young man named Lewis Jacques of Edinburgh. Mr. Jacques is a master mechanic attached to the Royal Air Force stationed at Weyburn. This young man says that Ball has something definitely worth while, and something which should be investigated by the government. Mr. Ball only asks that he be given an opportunity of proving that he has a satisfactory invention. He is prepared to give it over to the government, or to any branch of the service, if it will be used to reduce the gasoline consumption not only of the general public but of the different services, in their buses, trucks and other vehicles.

If this man has a worth-while invention, then certainly it should be investigated at once. If it is a good carburettor, the government should have a man try it out. I should not like this invention to suffer the same fate as was suffered by the Pogue carburettor. I happen to know quite a bit about that carburettor, because a close friend of mine had something to do with financing Pogue when he was working on his invention. I know what happened to that carburettor, and I think the minister probably knows, too. I am not going to put that on record, but I know we do not hear much about Pogue to-day. The big interests have obtained control of that carburettor; we know that. I learned that from a man who is so close to me that I can have no question about it. I refer to the man who helped to finance Pogue. He knows what happened to it. I trust the minister will give this matter some consideration and have someone make an investigation. If it is worth while, then let us use it and save millions of dollars we would otherwise spend on gasoline.

I trust that we may make more progress in the next day than we have made in the last two. I have not taken much time of the committee; in fact, I have taken only about ten minutes.

Mr. GILLIS: I would ask a question in respect of item 1 which deals with additions and extensions to plants. A large sum of money is involved. Would the minister give a break-down? How much has gone into the extension of government-operated plants as against privately owned plants? I would presume that when funds are provided for the extension of plants, it would be intended that they should be operated as soon as they are ready for operation. I believe funds were provided last year by the government to extend the blast furnace facilities at the Sydney steel plant. I have received a telegram from the steel workers' union in Sydney stating that this new unit has not been put into operation, necessitating a greater use of scrap by the open-hearth furnaces, thus decreasing production, wages and so on. I understood that when funds were made available for the erection of this blast furnace it was the intention that it would be put into operation when completed, but there seems to be some hold-up. The steel is needed, and I was wondering if the minister could explain why this new unit is not in operation.

Mr. HOWE: The hon. member asked for a break-down of the item. This will be found at pages 3698 and 3699 of *Hansard*, where this is given in some detail. A loan of $3,507,024.50 was made by the government to the Sydney steel plant for a blast furnace and other things. I cannot understand why the furnace is not in operation, and I feel quite sure that there is some part or some auxiliary equipment which has not been finished. It is badly needed because we want to put the plate mill on a three-shift basis. I had thought the furnace was in operation and I am interested in hearing that it is not. I shall make inquiry to see what is the present position.

Mr. GREEN: Will the minister explain the present fuel-wood policy of the government? He did not go into that in any detail when he made his statement on June 11. The minister is reported at page 3552 of *Hansard* as saying:

> Following the announcement in March that the government would pay fuel-wood dealers a subsidy of $1 per cord, some increase in production has been noted. The situation is still serious, however, and many communities may be in short supply next winter unless immediate, local action is taken.

I judged from that statement that the minister was leaving the burden of this problem with the local authorities. If that is the government policy I fear that many communities will be short of fuel wood in the coming winter. I notice in the new volume of orders in council which we received to-day, No. 10, dated June 14, 1943, there is P.C. 4669 which authorizes the wood fuel controller—this control has been set up since the debate on fuel which occurred in this house on March 16—to divert equipment for the production of wood and to make persons who are in a position to do so, produce wood. It also gives him power to purchase and to transport and dispose of wood fuel. It sets out that $1,000,000 has been provided for these purposes. Apparently there has been a change in policy; it would look as though the government is going into the business of producing wood. On May 17 the Minister of Labour stated in the house that he hoped Italian prisoners would be available for the production of wood fuel. There has been mentioned in the press that conscientious objectors are to be used for this purpose; and an order in council has been tabled which gives power to the government to use Japanese in British Columbia for the production of wood fuel. Could the minister give us the exact position at the present time? It will be important to many communities in Canada to know just what help they are going to get from the government in meeting this problem.

Mr. HOWE: The situation is unchanged. My first statement covers the situation to date. The production of wood fuel is a local

problem. In my first statement I offered an active working partnership between the federal government and local communities to assist in meeting fuel requirements. Those local communities that take their obligations seriously and make every effort to solve their own wood fuel problem will have the best time next winter.

Mr. GREEN: It is easier for some communities to do that than others.

Mr. HOWE: That is true. The dominion government is arranging for certain wood fuel operations, and we hope to build up a considerable stock of fuel which may be moved into distress areas next year. This will be simply a safety valve. It will be impossible to promise or even to suggest that any community that does not take an active interest in solving this problem will get wood fuel shipped to it by the dominion government. We are arranging for the cutting of as much wood fuel as we can, and this will be stored where it can be shipped into distress areas.

Mr. GREEN: Is it the intention to use Japanese for that purpose?

Mr. HOWE: We are using anyone we can get. We are using Japanese in British Columbia, but I do not know with what success. We have planned operations for them in the areas where they are at the present time. We have even brought pressure to bear upon certain pulp companies to have them start wood fuel operations before they start their winter cutting. We are doing all we can to get supplies of wood fuel. We must always remember that we are not at all sure that we shall have sufficient coal next winter. In fact, I doubt very much if we shall. Therefore, we are attempting to cut wood fuel with the thought in mind that it will help to take up any shortage there may be in coal.

Mr. GREEN: Will the government move this wood to the different centres, or will the consumers have to pay for the cost of moving it?

Mr. HOWE: We will use it to relieve distress if there is distress. We will move the wood.

Mr. GREEN: To the different centres?

Mr. HOWE: Yes; to the dealers.

Mr. GREEN: Could it not be arranged to have the municipal authorities supervise the distribution of the wood in the various centres?

Mr. HOWE: I should not like my hon. friend to suggest that any municipality will be discharging its obligations if it considers that all it has to do is to supervise the distribution of wood sent in by the federal government. Every municipality must organize efforts to supply wood to the utmost of its ability.

Mr. GREEN: I think the municipalities are doing so.

Mr. HOWE: I think they are. We are helping them with equipment and anything else we can. As I say, we are attempting to accumulate considerable stocks of fuel wood at different points in Canada. We are doing this as a protection against the serious situation which we believe is arising. If we cannot get sufficient coal, we will move wood into areas where the situation is serious. But this is simply a reserve that is being built up, and no community should make its plans in the sure belief that wood will be shipped into it next winter.

Mr. GREEN: Is the government still paying the subsidy of $1 a cord?

Mr. HOWE: Yes. I hope to make a statement about the bonus to-morrow. I announced before that the time would be extended, but I have not given the new time limit. I shall try to do that to-morrow.

Mr. MacINNIS: Is it the intention to build up reserves of fuel wood at certain places and then, if circumstances become sufficiently serious in certain municipalities, those reserves of fuel wood will be shipped in to where there is a shortage?

Mr. HOWE: That is it, yes.

Mr. FULFORD: It was my privilege to accompany a delegation of members who recently visited Buffalo and inspected the plants of the Curtiss-Wright corporation. Anyone who was on that trip would agree that it was an inspiration to see the aeroplanes on the assembly line in process of construction. One of the most outstanding features one noticed was how much of the modern aeroplane consists of aluminum. As one stood at the end of the assembly line and looked hundreds of yards down the line where the aeroplanes are first assembled, the general thought was, I believe: If only Hitler could see this! One of our members expressed it as well, I think, as it could be expressed when he said: Thank God, these people are our allies!

During the course of our visit I asked one of the executives of the company if any of the aluminum which was going into the manufacture of these planes came from Canada, and his reply was, "I do not know what we

should do without the aluminum which comes from Arvida and the aluminum castings which come from Kingston." Even if there are certain people in this country who do not appreciate what the Aluminum Company of Canada has done, certainly no one who has gone through these plants and has seen what our United States allies are doing in the production of aeroplanes, can fail to realize just how much the Aluminum company has done not only for our own country but for the united nations as well. In reply to the clamour and consternation that falls on the Cooperative Commonwealth Federation camp whenever private enterprise makes a great contribution not only to Canada's war effort but to that of all our allies, I can only repeat what has already been said in this house, that we are not fighting monopolies; we are fighting a war. I have no more tolerance for monopolies than have my friends of the Cooperative Commonwealth Federation, but I believe that this is no time to investigate and interfere with the turning out of a product as cheaply and in such large quantities as Aluminum Company of Canada is turning out this vital product.

I do resent one thing, which I think has not been brought out in this debate, but which I believe should have been brought out, namely, the insinuations that have been made against Canada's minister to Washington, the Hon. Leighton McCarthy. It is my privilege to have known the Hon. Leighton McCarthy for a great many years. I have known him as one of Canada's most successful lawyers and as a great business executive. I have known him as a great philanthropist, and now I can appreciate him as a great diplomat. I think it ill behooves anyone at a time like this deliberately to make insinuations against a man of his calibre occupying the high position he does. I know of no surer way to drive men of his type, the very highest type, out of public and diplomatic life in this country. It is my opinion, and the opinion of a great many others, that what the Aluminum company has done so far in this war will rank as one of the great production achievements in this struggle.

Mr. CHEVRIER: The other evening the hon. member for Yale asked some questions in connection with construction contracts generally, and I should like to make an answer to him at this time. If the hon. member will look at what was said the day before yesterday on the subject of contracts, he will see that the statement was made that contracts generally may be divided under two heads, fixed price contracts and contracts of a cost-plus nature, and that four-sevenths, in point of number, of the contracts let were, generally speaking, let on a fixed price basis, and that applies to construction contracts as well. They are let on a competitive basis by tender, and I think it is safe to say that from seventy-five to eighty per cent of those contracts have been let by tender. Exceptional circumstances, however, sometimes make it impossible to let contracts on that basis, and then the contract is let on a cost plus a fixed fee basis.

With reference to the specific case in which the hon. member was concerned, the military camp at Vernon, the contract was let on a cost plus a fixed fee basis.

Mr. MacNICOL: Are you getting away from cost-plus contracts?

Mr. CHEVRIER: Yes, definitely. The number of cost-plus contracts is continually being reduced.

Mr. MacNICOL: They should be wiped out entirely.

Mr. CHEVRIER: It is hoped that they will be wiped out entirely in favour of the fixed price contract, but in this case there was a reason for the exceptional basis. This is the reason.

In 1942 there was an unprecedented request for different defence projects on the west coast, and this coupled with the activities of the United States government on the Alaska military highway and the facilities required in connection with it, made it impossible for the Department of Munitions and Supply or anybody else to obtain competitive tenders.

The contractors were unable to maintain their men on account of the high rates paid on the Alaska military highway. The supplies of material became restricted. Priorities on materials required from the United States became difficult to obtain, and lastly, transportation facilities, particularly to outlying points, were at such a premium that the contractors refused under the combination of circumstances to submit firm price tenders.

It therefore became necessary, in order to meet the demands of the armed services for defence projects, that the work required be placed under way as early as possible and in such a manner as would assure its completion at as early a date as possible.

The director of construction in this case examined the capabilities of the different contractors in the district with regard to their being immediately available, also as to their supply of plant and equipment, the type of their organization, their location and the materials at their command, and selected

Messrs. Bennett and White of Calgary as the most suitable and arrangements were made with them to undertake the work.

The hon. member also asked who was included in the fixed fee; what profit there was. I am informed that the fixed fee covers the following items: (a) the services of the partners of the firm or directors of the company, all of which are available at no charge to the contract; (b) all head office expenses; (c) all costs of financing; (d) all other expenses other than those which are directly incurred on the site of the work; (e) the services of all employees at head office for the use of purchasing, expediting, engineering or the giving of any service ordinarily handled in head office; (f) as the fee is ordinarily set at $25,000 for a million dollars worth of work and all the above services have to be provided out of this fee, it is clearly evident that the amount of profit is unduly small. As a matter of fact, the contractors in this case have complained that by reason of slowness of payment their financing charges have absorbed practically the whole of the fee. The profit is therefore very small.

Mr. SHAW: There is one item I should like to bring to the minister's attention. It may be that we have to leave these matters until a later hour because we are located so far from the Chair.

I do not know to what degree the minister is responsible for the disposition of the various types of commodities for the production of which he is responsible. The matter I wish to bring to his attention is in connection with gasoline, namely, the fact that it appears from correspondence which I have received that there is a great deal of dissatisfaction with respect to the uses made of army vehicles for civilian purposes—if I may put it in that way —or for private purposes.

Mr. HOWE: We have nothing to do with that. The army file requests with us and we fill those requests in full. The distribution of gasoline or the use to which it is put is wholly a matter for the army.

Mr. SHAW: Just one point, then. May I indicate to the minister that he might have less difficulty in providing the gasoline requirements for the army and for civilian purposes if he would bring to the attention of the Minister of National Defence that there is, according to a number of documents which I have, colossal waste, as they state, in the use of gasoline, by virtue of the fact that it is evident to anyone who is in centres where military camps are located that these army vehicles are being used for other than army purposes. I will not elaborate on that now, since the minister has already indicated that it is not his responsibility, but I could produce some interesting evidence in that direction which has come to me. I would ask him to bring this matter to the attention of the Minister of National Defence.

The ACTING CHAIRMAN (Mrs. Casselman): I wonder if we could direct attention particularly to item 1. A very wide discussion has been allowed up to the present, and I have noted that rubber has bounced back more than once—which is of course the usual thing with rubber—but I wonder if we could come to item 1 and get it carried.

Mr. FRASER (Peterborough West): The agenda which has been given to us does not cover many of these items we have been discussing. There was no particular place to discuss synthetic rubber unless it be in these items. I should like to know under what item I could ask a question about gasoline and the oil controller's department?

Mr. HOWE: Departmental administration.

Mr. FRASER (Peterborough West): I wish to put to the minister one question which has been asked of me by two manufacturers. Has he any idea how many civilians in munitions plants it takes to sustain one man in the armed forces? These manufacturers asked that because they are trying to keep up the morale of the men in their plants.

Mr. HOWE: I cannot say. We have at the present time well over seven hundred thousand men in the services. We have close to a million men and women in war production. I assume we have more than two millions in agriculture and civilian industries. That would represent about four to one, would it not? I never saw a figure on that, and I doubt whether any arbitrary figure can be given.

Mr. FRASER (Peterborough West): The minister has not the figure?

Mr. HOWE: No; I have no figure about that. I gave the population distribution as well as I could. I do not think there is any known ratio. It depends upon a good many factors. It would be pretty difficult, I think, to work that out.

Mr. FRASER (Peterborough West): The reason why these men wanted to know is that when they are talking to the men in the plants, telling them that they want to get this production, they wish to be able to say that "it takes ten, or forty, or a hundred of you men and women to keep one man in the

armed forces, and if one of you lays off on a Saturday or a Sunday or a Monday, it means that a man in the armed forces is handicapped that much."

Mr. HOWE: I should like to be able to give my hon. friend a figure, but I do not know that any study has been made. Perhaps I could have one made and give him the result in two or three weeks.

Mr. FRASER (Peterborough West): I believe it would help the manufacturers in that it would stimulate the munitions workers.

Mr. ADAMSON: One word on this item concerning Victory Aircraft. As one of those who have been critical constantly, and I think from what the minister said to-night, with great justification, of the set-up at Malton, I had an opportunity this week of visiting the plant, and in my opinion the management there now is endeavouring to do and, I believe, will succeed in doing a thoroughly capable job of producing Lancaster bombers. Probably they have a little overestimated their capacity. But I am glad to see that the present manager has been maintained by the department. I think he deserves every support because he certainly has had a great deal to try him. For years this plant has gone through frightful vicissitudes and difficulties. I was glad to hear the minister's statement to that effect.

One thing more. I have heard it stated that if the minister will use his great efforts and forceful drive to see that the Weston cut-off is paved for the two or three miles from No. 10 highway into Weston, it will be equivalent in the saving of wear and tear on cars to two Lancaster bombers from now to the end of the year.

Mr. GREEN: Will the minister explain to the committee the assistance which has been given in the Steep Rock iron development in lake Superior district? Apparently the government has given assistance of one kind and another to that development, and it would be interesting to know the nature and extent, and also when it is expected that the mine will be in production, whether the iron ore which is produced is to be all smelted and used in Canada, or whether there is any provision that a certain proportion of it must be smelted and used in Canada.

Mr. HOWE: The government cooperated with the Canadian National Railways in setting rates for transportation which would be competitive with rates from the Mesaba area. The management reached an impasse with the railway in arriving at that rate. There is a certain rate from Mesaba range to lake Superior covering transportation from the mine and loading on to vessels. The mileage from Steep Rock area is longer and the volume of traffic less intensive, with the result that the railway thought it could not justify itself in quoting a competitive rate. The difference was twenty cents a ton for the ore transported. The government arranged to support the transportation by a bonus of twenty cents a ton payable to the railway on the first five million tons moved from the mine to the lakehead. The railway undertook to build the necessary ore dock to transhipthe ore from rail to boat, and the government undertook to lend the money to the railway for that purpose, the loan to be recoverable by an amortization charge sufficient to pay interest on amortization of the amount.

Mr. GREEN: How much does that involve altogether?

Mr. HOWE: The subsidy is $1,000,000—twenty cents a ton on five million tons. The cost of the trackage at both ends, and the ore dock, will be around $2,500,000.

Mr. GREEN: What about the other questions? When will the mine be in production?

Mr. HOWE: I do not know when the mine will be in production. We have nothing to do with anything except transportation from the mine. The only place in which the government has intervened is in the matter of transportation, which we undertook to make competitive with the Mesaba ore. The building of the development is a wholly private enterprise in which the government is not interested in any way.

Mr. GREEN: Apparently that was a new venture in government policy. A press release from the minister's department, dated September 30 of last year, after an announcement about the facilities to be built, contains these words:

> Mr. Howe announced that the policy of assistance was decided upon as a result of a decision of the war committee of the cabinet that the development of Steep Rock iron ore deposits should be proceeded with as a means of protecting Canada against a possible shortage of iron ore to meet war requirements.

If that is correct, it clearly shows that this was government policy and that the government is very much interested in the development. I believe that this spring there were press reports to the effect that production was expected in about a year and a half. Can the minister say whether or not those statements were correct?

Mr. HOWE: I cannot say. I do not think any member of the government could say. Transportation comes after the development is completed. If the development is successful, we are obligated to furnish certain transportation, which we will do; but in the meantime we expect the mine management to advise us when the property will be ready for transportation facilities. They have not done so as yet, and I really do not know how they are getting along. As I understand the problem, in the first place the power plant must be moved and the Seine river diverted, then the Steep Rock lake pumped out, and after that they are in a positon to undertake mining development. I may be very willing to give forecasts, but I am not willing to state the time that will elapse in an operation of that kind over which I have no control.

Mr. GREEN: But this is war policy, according to the minister's own department. Obviously, assistance is being given to help Canada's war production.

Mr. HOWE: Its possible war needs.

Mr. GREEN: Does the minister mean that no steps were taken to find out the approximate time it would take for this mine to come into production? I did not ask for the exact time.

Mr. HOWE: We have the engineers' report. They were estimating that two years would be taken. That may or may not be optimistic, but I have no control over the operation and I do not see why I should be asked to give an estimate. I have given the engineers' estimate and that is the best I can do.

Mr. GREEN: If the minister had given that before, it would have saved a lot of time. Two years from last fall?

Mr. HOWE: Yes.

Mr. GREEN: I asked the minister whether or not there was any obligation on the company to have this iron ore smelted in Canada or to have it used in Canada. They are getting $3,500,000 assistance from the Canadian government. Is there any understanding with regard to where that iron ore is to be smelted and used?

Mr. HOWE: I am told that the Canadian mills will have first call on the output. The underwriting agreement provides for that.

Mr. GREEN: Is that in the shape of an agreement with the government?

Mr. HOWE: No; the agreement with the underwriters.

[Mr. Green.]

Mr. GREEN: The government has no agreement in writing with the company?

Mr. HOWE: No.

Mr. ADAMSON: The underwriters were a firm, Otis and Company, in Cleveland, and the United States government. The Reconstruction Finance Corporation put up $5,000,000, and Cyrus Eaton and his associates in Cleveland put up the rest of the money to finance it immediately.

Mr. HOWE: This government did not interest itself in the financing of the project.

Mr. ADAMSON: That is the point I am trying to get at. The dominion government took no part in financing Steep Rock?

Mr. HOWE: No.

Mr. ADAMSON: The only thing it did was to provide subventions to the Canadian National Railways and build the ore dock.

Mr. HOWE: Well, the ore dock is an obligation of the railway as part of the transportation.

Mr. ADAMSON: And that is included—

Mr. HOWE: The only assistance given by the Canadian government was assistance to the Canadian National Railways, to put the Canadian National Railways in a position to give a competitive transportation rate to Steep Rock Iron Mines Limited. Our only agreement is with Canadian National Railways.

Mr. ADAMSON: I have been rather critical of the deal by reason of the fact that we allowed the development to be financed outside Canada.

Mr. NOSEWORTHY: Has the minister's department interested itself at all in the stock manipulations that have taken place in connection with that property—

Mr. HOWE: Not at all.

Mr. NOSEWORTHY: —on the strength of the help the government has given?

Mr. HOWE: No.

Mr. NOSEWORTHY: That is being used for stock manipulations.

Mr. HOWE: The government has given absolutely no help to Steep Rock mines. The only agreement the government has is with Canadian National Railways. Canadian National Railways have quoted a certain rate to Steep Rock mines to transport ore from the mine and put it on board the boat at the lakehead. That is the only agreement there is between any government agency and Steep Rock mine. How the capital was raised,

I have no knowledge and the government has no knowledge, and I wish to make it clear that if there was manipulation, based on the government's interest in the actual construction, we have none. Our only obligation comes after construction has been completed and the mine is in production. If ore comes out, it is our obligation to transport it from the mine to lakehead and put it on the boat at a certain over-all rate.

Mr. NOSEWORTHY: What was the arrangement for the building of the dock?

Mr. HOWE: The dock will be built and owned by the Canadian National Railways, to whom the government will loan the money required for that purpose. The Canadian National Railways will pay the government six cents on every ton of ore passing over that dock for interest and amortization, until the government loan is fully amortized.

Mr. DIEFENBAKER: I should like to ask a question in regard to the Cherrier plant in Quebec which is operated on a management fee basis by Canada Car and Munitions Limited. I wish to know whether or not the magazine entitled "Employees' Cherrier House Organ" is paid for by the government, directly or indirectly. A recent issue of this magazine, which is put out by that plant, contains a most disruptive statement, which I need not place before the committee. I should like to know whether the government makes payment in any degree for that magazine, and I suggest to the government that there be an investigation into some of the statements made therein, to the end that these statements be excluded from further issues.

Mr. HOWE: I have never seen the publication in question, but my financial adviser tells me that expenditures of that kind are not permitted as an element of cost, so that I presume it does not enter into the cost. However, I shall be glad to make inquiries about the publication about which, as a matter of fact, I have never heard.

Mr. KNOWLES: Despite the fact that the subject of aluminum has been introduced once or twice to-day, I do not intend to continue that discussion to-night. I should like to direct one question to the minister, or perhaps to his assistant. The hon. member for Stormont speaking on Tuesday last, as reported at page 3648 of *Hansard,* said:

> Under existing tax laws no corporation can earn, after tax, a greater amount than seventy per cent of its pre-war standard profit.

As the minister knows, and as is borne out on page 10 of the prospectus of the Aluminum Company of Canada and on pages 11 and 14 of the report of Aluminium Limited, these interests in 1942 were making profits greater than in previous years; in fact, as far as Aluminium Limited is concerned they were the greatest in its history. I wonder if either the minister or his assistant would reconcile these facts with the statement to which I have referred.

Mr. HOWE: Did I understand the hon. member to say that the earnings of the Aluminum Company of Canada this year had been the greatest in its history?

Mr. KNOWLES: I said that the earnings of both the Aluminum Company of Canada and Aluminium Limited were larger in 1942 than in the pre-war years, and in the case of Aluminium Limited the largest in its history. There was one year, 1939, when the Aluminum Company of Canada made, perhaps $100,000 more than in 1942, but if you take the average of the pre-war years it is considerably lower than the profit in 1942.

Mr. HOWE: Yes; but the volume and the facilities had been multiplied several times by then.

Mr. KNOWLES: But I am comparing this situation with the statement by the assistant to the minister, which was to the effect that no corporation can earn, after tax, a greater amount than 70 per cent of its pre-war standard profit.

Mr. CHEVRIER: The statement to which the hon. gentleman refers was made by me on June 15. At the time I was going on to refer to the checks and controls that we exercised in the Department of Munitions and Supply over contracts of a cost-plus nature. I went on to explain that over and above that there were under the jurisdiction of the Department of Finance the corporation tax and the excess profits tax, and the figures I mentioned on that occasion were the figures given by the Minister of Finance in his 1942 budget. I made a further statement saying that no change had been made this year. Now the hon. gentleman asks a question in connection with these aluminum companies and wants an explanation. I have not seen the figures to which he refers and, of course, I cannot explain them, other than the statement I now make.

Mr. NOSEWORTHY: Is it not a fact that the basis is not the total amount of the profits but the percentage of the turnover?

Mr. CHEVRIER: That is a matter for the Department of Finance, not for Munitions and Supply.

Item agreed to.

2. Cargo vessels—Operated by Park Steamship Limited, $45,000,000

Mr. REID: Would the minister be good enough to give the committee some information with regard to the companies which have chartered vessels from the Park Steamship Company? As reported at page 3550 of *Hansard* I note that the minister said:

> Up to the present time twelve vessels of 10,000 tons deadweight; five vessels of 4,700 tons deadweight, and one tanker have been delivered to the company.

It is important, I believe, that the committee be informed as to what steamship companies have chartered these cargo vessels, and I should like to know how many are operating on the Atlantic and how many on the Pacific.

Mr. HOWE: I am sorry to say I have not that list at hand, though I will have it at three o'clock to-morrow. It changes from trip to trip. The boats are allocated to various trades by the Canada shipping board, and a ship is chartered to a particular company operating in the trade to which the boat has been allocated. For instance, if the boat has been allocated to the United Kingdom trade, it would be chartered to Cunard, White Star, the Donaldson line, or the Canadian Pacific. If it were operating to Australia, it would be chartered to the Canadian-Australasian line or some other line that in the past has operated to Australia.

Mr. REID: Do the steamship companies which charter these vessels pay a set fee based on the cost of the vessel, or how is the charter fee arrived at?

Mr. HOWE: The ship is operated for the account of Park Steamship company, and the full returns are made to that company less the amount of the fee retained by the operating company, which is at the rate of $3,500 per annum plus two and a half per cent of the value of the cargo.

Mr. REID: Is the same arrangement entered into with regard to financial payments?

Mr. HOWE: No; we charter ships to the British ministry of war transport for a dollar a year. What arrangements the British ministry of war transport make for their own account, I cannot say.

Mr. MacINNIS: How many of the ships turned over to the Park Steamship company are of Canadian register, or are they all of Canadian register?

Mr. HOWE: They are all of Canadian register.

[Mr. Chevrier.]

Mr. MacINNIS: I should like to say a few words in connection with wage rates on those boats. The minister may have forgotten, but I wrote him in August, 1942, on this point. There is considerable complaint respecting the wage scales for both officers and men. I understand the scale in effect on Canadian ships is the British scale of wages.

Mr. HOWE: For officers.

Mr. MacINNIS: For officers and men.

Mr. HOWE: No; it is higher for men.

Mr. MacINNIS: I have the minister's letter of September 17, 1942, and I find this sentence in it:

> The wage scale in effect on these vessels corresponds to that on vessels operated on the Atlantic coast under the supervision of the Park Steamship Company, and is in exact conformity with the wage rates of the British national maritime board.

Then the minister goes on to say :

> I quite concur in the company's opinion that it would be unwise to operate vessels out of Pacific ports with a wage rate at variance with that of vessels operated by the same company out of Atlantic ports.

It is a matter of fact that wage rates on the Pacific coast have always been higher than those on the Atlantic coast and, generally speaking wage rates on Canadian boats, and more particularly on United States boats, are much higher than wage rates on British boats. I have had considerable correspondence on this matter with the Canadian seamen's union, British Columbia section, and the Canadian merchant service guild, officers' organization. They have been good enough to forward me copies of all the correspondence which passed between themselves and the manager for the Park Steamship company, whom I believe to be Mr. R. B. Teakle. I find there is considerable dissatisfaction with the rates of pay.

In a letter dated September 14, 1942, replying to a letter from Mr. Teakle the officers of the Canadian merchant guild write as follows:

> This guild is very disappointed with the attitude taken by your company on the above question. First, our information is, and we believe it to be authentic, that more than the two vessels you mentioned will be for Canadian register.

Mr. Teakle, in his letter to the guild, said there would be only two of these vessels under Canadian register. The letter continues:

> Secondly, in regard to these ships being fully manned we believe this is correct, due in some

measure, in so far as masters and deck officers are concerned to this organization's attitude, as in nearly every instance we were consulted by the officers who were offered the positions for advice on the advisability of signing on, when we advised these officers that it was not in the policy of this guild to interfere in the manning of these ships, regardless of the scales of pay or other conditions, as we consider this service part of our war effort, and we had, on September 7, 1939, written the then Minister of National Defence, the Hon. Ian Mackenzie, that this guild was prepared to cooperate in any manner which would further our war effort. Our members now feel however that this declared policy is being taken advantage of.

Then the next paragraph reads:

In regard to the comparison made by you to ships operated by the Minister of War Transport for Great Britain, this is, so far as we are aware, the first instance of such vesels being compared to Canadian ships in regard to scales of pay or conditions, as it is well known that in the past British ships have been looked on as being, if not the poorest, at least one of the poorest paid services on the seven seas.

In the wage scale the guild proposed to the Park Steamship company, they pointed out that it was in conformity with the wage scale then in effect on the Pacific coast on vessels which were much smaller. As a matter of fact, it applied to vessels of less than 4,000 tons, and the scale was considerably less than that on United States ships.

In regard to crews, the rates of pay are very much below those on similar ships operating on the Pacific coast. I have before me a list of the rates, as given to me by the officers of the seamen's union, and I shall place them on record for purposes of comparison. In both cases bonuses are not included, but in any event bonuses on the Pacific coast would make the total wage still higher.

The following is a comparison of rates paid on the Pacific coast and those paid by the Park Steamship company:

	Pacific coast	Park Steamship
Boatswain	$110 00	$64 50
Able-bodied seaman	90 00	56 00
Ordinary seaman	70 00	41 70
Fireman	85 00	58 50
Donkeyman	95 00	62 90
Oiler	85 00	60 65
Trimmer	75 00	56 20

That is bad enough, but I hold in my hand the June issue of the *Searchlight,* official organ of the Canadian seamen's union, printed in Montreal. This paper draws attention to the fact that the rates paid by the Park Steamship company on ships at sea is less than those paid in the manning pool, while sailors are waiting to be taken on vessels. In order to show a comparison, I shall place the following table on record:

	Manning pool rate	Park company rate
2nd cook	$57 59	$49 50
A.B. seaman	62 02	56 20
Donkeyman	69 00	62 00
Carpenter	80 85	70 10
Boatswain	70 88	64 50
Fireman	64 23	58 50
Assistant steward	57 59	49 50

When the government is attempting to build up a Canadian merchant marine which will operate not only during the war but after the war, we should surely try to make working conditions for the men who will operate these boats have some relation to conditions on privately-operated ships both in this country and in the United States. I should like to know why the government has adopted the British rate rather than the United States rate.

Mr. MICHAUD: Since merchant seamen come under the jurisdiction of the Department of Transport I shall try to give the hon. member some explanation. It is well known that the basic rate for seamen on foreign going ships has never been uniform. I am informed that the United States rate has always been higher than the British rate. When the seamen were hired to man Canadian ships a Canadian basic rate was tentatively established with the idea of conforming as much as possible to the British rate. The United Kingdom basic rate for able seamen is $62.02, with a war risk bonus of $44.50, making a total of $106.52. The basic rate paid by the Park Steamship company for 10,000-ton ships is $56.20, to which is added a war risk bonus of $44.50, a cost-of-living bonus of $18.42, making a total rate of $119.12, as compared with the British rate of $106.52.

Mr. GREEN: What is the United States rate?

Mr. MICHAUD: So far as we have been able to understand, there is really no basic rate.

Mr. MacINNIS: Does the minister know what the Pacific coast rate is?

Mr. MICHAUD: It varies according to the vessel and the trade and the route and the company. Of course there are union rates on the Pacific coast, and they bear more relation to the United States rates than do the basic rates established for British seamen and the tentative Canadian rates. The Canadian rate has never been definitely established. The

matter has been referred to the war labour board for adjustment and ruling, and that is where the matter stands at the present time.

Mr. MacINNIS: When was the matter referred to the war labour board?

Mr. MICHAUD: I have not the exact date of the reference, but I know the matter has been under consideration. There has been a lot of correspondence and negotiation, and that is the action that has been decided upon.

Mr. GREEN: Why was it necessary to keep the Canadian rate down to the British rate? In making his statement the other day, the Minister of Munitions and Supply said in effect that Canada could have as many ships in her merchant navy as she could man, that the bottleneck was getting crews. It may be that this is one reason why you cannot get crews. The wages on this continent are higher than those in Great Britain; the wages paid in the United States merchant navy are higher than those paid in the British merchant navy. Why should Canada be restricted to the rates paid in the British merchant navy?

Mr. HOWE: I wish my hon. friend would quote me. I said the difficulty was in obtaining qualified officers.

Mr. GREEN: The minister is reported at page 3550 of *Hansard* as follows:

> The United Kingdom is able to furnish crews for these boats whereas Canada cannot do so at this time.
>
> Every effort is being made to obtain the maximum number of crews for the purpose of operating as many ships as possible by Park Steamship Company, and in that connection the company works closely with the director of merchant seamen, Department of Transport, During the war period the size of the Park Steamship Company fleet will be limited only by the number of Canadian crews that can be obtained.

There is the story.

Mr. HOWE: I am quite sure that I explained on another occasion that it was possible to train seamen, but it was impossible to train captains and chief engineers in a short period. As my hon. friend knows, in order to qualify as a captain or a chief engineer a man must have at least four or five years service on a ship. Certain other officers also require a considerable period of service on a ship. Even an ordinary seaman must have four months on a ship to qualify. He signs on as a boy and comes back from his first voyage an able seaman. We can make seamen and we can make officers to the extent of the time at our disposal. We have officers' training schools, but our difficulty is in producing certificated captains, certificated first officers, certificated chief engineers and perhaps certificated firemen. These we are borrowing in part from the British mercantile marine, and the British mercantile marine are willing to lend them to us, provided that our scale of wages for officers is identical with theirs.

Mr. GREEN: For officers?

Mr. HOWE: For officers.

Mr. GREEN: What about the men?

Mr. HOWE: The scale for the men is higher on Canadian ships than it is on British ships.

Mr. GREEN: Not very much.

Mr. HOWE: It is higher.

Mr. MICHAUD: The actual rate paid in the United Kingdom is $106.52. The actual wage in the Canadian merchant marine is $119.12, which includes the war risk bonus and the cost of living bonus. For officers the rate is also a little higher in the Canadian merchant marine than in the British, and that is one of the reasons why we have been able to secure officers for our Canadian ships. We have not the facilities to train them in Canada just now and we secure the officers from Britain. One inducement, I understand, is that the rate of pay is a little higher in the Canadian merchant marine than in the British.

Mr. GREEN: How far is it intended to carry this policy of tying the rates paid to Canadian seamen to the rates paid to British seamen? We have been told in this house in the last few weeks that Canada is going to build up a merchant navy. Do the present rates mean that after the war the Canadian rate is to be tied to the lower British rate? If that is to be done, we may have a whole lot of trouble in building up a merchant navy.

Mr. HOWE: We shall have four times the trouble if my hon. friend keeps agitating against the present policy.

Mr. GREEN: The minister need not fly off the handle and start calling people agitators and everything else. Apparently there is only one person in this house and that is the minister himself. He might give somebody else credit for having a few good motives.

Mr. MICHAUD: The hon. member for Vancouver South realizes that we are just pioneering in building up crews for our merchant ships. We have not been able to secure officers in Canada and we get them from the British merchant service. Fortunately we are building up our own engineers and mechanics. We have two schools

in Canada, but we have not yet reached the stage where we can give instructions in the higher class of engineering and consequently we get these engineers from the British service. We have been successful so far through an understanding with the British government. We are happy to be in that position. But we hope to develop our training facilities to the point where we shall be able to give the initial training in Canada and enable our boys to graduate and eventually reach the stage where they will be capable of taking full charge of our merchant ships. I do not want the hon. member to misunderstand me. There is no move to tie up the rate of pay for Canadian seamen to the rate of pay in the British merchant navy. There is already quite a difference. A second officer in the British merchant navy gets $148.60 a month and in the Canadian merchant navy $192.90 a month. There is a differentiation so far between the United States rate of pay and the British rate of pay. The whole matter is in the process of pioneering. We are doing the best we can to get the crews and pay them a rate that will satisfy them and at the same time meet the shipping conditions that have so far prevailed in Canada.

Mr. MacINNIS: The Minister of Transport has said that we are pioneering in this field and trying to attract men who would serve as officers and crews on our boats. If we want to attract men to serve as officers and crews on these boats, I think the best way to do so would be to pay reasonable wages, wages that would have some relation to the wages which are being paid for similar work on this continent. The minister will not attract Canadians to this work unless he pays Canadian wages. If he is going to keep the wage rates at the British standard he will have to depend for all time on British sources for his officers and crews. He will not get Canadians under those circumstances if they can find work anywhere else. When I hear the Minister of Transport speak in regard to this matter and take into consideration what the Minister of Munitions and Supply said the other day in regard to the Aluminum company, I am forced to the conclusion that the Canadian merchant seamen's guild and the seamen's union are not in a position to demand what the Aluminum company was in a position to demand. The company had the bulge on the minister and on the people of Canada and they used it. But the seamen were patriotic enough not to press for all that they could demand because their country was at war. Consequently they feel that advantage has been taken of their willingness to serve. What is the rate of pay for deck officers on the Pacific coast?

Mr. MICHAUD: I am sorry I have not that information before me. This matter has come up unexpectedly, but I shall have the information when my war estimates are before the house.

Mr. GREEN: This item for cargo vessels is of the utmost importance to those Canadians who live on the Pacific slope, and in fact it has become of the utmost importance to the whole of Canada. The Minister of Munitions and Supply very properly said the other day when he was making his statement that the development in our cargo shipbuilding represents the achievement of building up what is virtually a new major industry for Canada. He went on to point out that there are now 43,000 men and women in this country engaged in building merchant ships. Of that number I believe that over half are working on the Pacific coast, where we are making the majority of these cargo vessels. We have also been told within the last two or three weeks that Canada is going to build up a merchant navy and a substantial naval fleet which will include not only escort vessels but such capital ships as cruisers and possibly submarines. We have also been told something of the ship repairs that are being made in Canada in our various shipyards, and of course there will be more and more of this. In addition to the plants engaged in shipbuilding itself, there are many plants making components for the ships; that is the position on the Pacific coast.

But there, and I am sure all members from British Columbia will agree with me in this, we are greatly concerned as to the permanency of this large industry. In the last war we saw a shipbuilding industry built up there, and then after the war it died right away until there was practically nothing left. We are afraid that something of the same sort will happen after this war unless steps are taken by the government to prevent it. Most of the shipbuilding plants and the industries manufacturing components for ships are dependent largely on steel, and at the present time we are in an unnatural position, in that our steel has to be hauled from eastern Canada or the Eastern United States, and our scrap iron cannot be used on the coast, but is being sent back east under a freight rate which amounts, I believe, to $13 a ton. Therefore, as I say, the situation is unnatural, and unless something is done to change it,

the whole shipbuilding industry may collapse; in fact, it may not be able to carry on at its present capacity during the war itself.

We believe that there should be established on the Pacific an iron and steel industry. We believe that it is a natural industry for that coast, and we would ask the help of the ministry, and hon. members from other parts of Canada in seeing that such an industry is established there eventually. We have the iron and the coal from which to make the coke, and we have the limestone. The provincial government of British Columbia has been greatly concerned over this question for some years, and particularly during the last session. For many years there has been an act on the provincial statute books which provides subsidies to anyone who will establish a steel industry. I believe two million dollars is available for the purpose now. Last year our government had a report made by engineers from the United States, named Arthur G. McKee and Company, on the question of whether we had the iron ore and also the coal and limestone with which to establish the industry. I find in the report of this firm, at page 23, the following:

> The principal raw material requirements for the 75,000-ton plant would be iron ore, coking coal and limestone. These are available in ample amounts and suitable quality on Vancouver island and in the interior of the province. Vancouver island is recommended as a preferable location for the plant because of its more central location with respect to the principal consumers and its facilities for transportation by water.

In addition to this iron ore at the coast, there are several million tons of iron concentrates which have been stored by the Consolidated Mining and Smelting company, to which the hon. member for Kootenay West made reference this afternoon, at their Sullivan mine, located at Kimberley in east Kootenay. From that wonderful mine they get three products: lead, zinc and iron. They are using the lead and the zinc and storing the iron concentrates right there on the spot. That is only a few miles away from splendid coking coal in the Crowsnest pass, which is also in the east Kootenay district.

So that, I repeat, we believe that the iron and steel industry is a natural industry for British Columbia; that it can be made permanent if the government gives help; and we would like to know what the government is prepared to do, whether or not it will give any help. For example, will it consider a subvention to assist in the establishment of a steel and iron industry? We feel that eastern interests are against the project. The hon. member for New Westminster mentioned that the other day, and the opinion expressed by him is held, I believe, by the other members from British Columbia. Therefore we ask assistance from the dominion government. The Minister of Munitions and Supply has already broken ground in establishing a policy of this type, by what was done with regard to Steep Rock. Earlier this evening I read to the committee from a press release made by the Department of Munitions and Supply on September 20, 1942, which stated:

> Mr. Howe announced that the policy of assistance was decided upon as a result of a decision of the war committee of the cabinet that the development of the Steep Rock iron ore deposits should be proceeded with as a means of protecting Canada against a possible shortage of iron ore to meet war requirements.

I have no objection to that help being given. I think it is a wonderful thing to assist the development of iron mines anywhere in Canada, for I suggest that there are some very weak pillars in the edifice which we Canadians are building. One was mentioned this evening; it is that we do not manufacture aeroplane engines. I believe every hon. member will agree that that is a tragedy. It may not be practical to do so; the fact nevertheless remains that it is a tragedy. Another weakness is that we are short of coal; we do not produce enough to keep ourselves warm in the winter. We have had a very sharp taste of what that means during the past winter, and it, too, is a weakness in our Canadian economy. Another is that we produce very little iron. Let there be no mistake about it; that is one of the weaknesses of our Canadian economy. These deficiencies have become clearly visible during the war, and we should exert every effort to make them good. So I urge upon the government that it adopt the definite policy of offering inducements which will help in the establishment of an iron and steel industry on the Pacific coast. It is a matter on which there is no division of opinion; all the people of our province, whether Liberals, Conservative, C.C.F. or Social Crediters, are keen that something should be done along this line. I am afraid that the industry cannot be started without help from Ottawa. I ask the minister to give us some idea of the views of the government on this question.

Mr. HOWE: I was approached early in the war regarding a steel industry for British Columbia. I then stated that the first essential of starting a steel project was to get expert management, and that without expert management nothing could be done. I said that the second problem was to get capital interested. I promised that if the expert management was

obtained and certain local capital was provided, the government would be prepared to examine the situation very carefully with a view toward participation. That offer has never been withdrawn. It was repeated recently.

Mr. GREEN: That is, for a rolling mill or a regular steel industry?

Mr. HOWE: Either one.

Mr. GREEN: That would apply also to a proper steel industry?

Mr. HOWE: Quite. That has been an open offer. I would point out to my hon. friend that Steep Rock was not organized by the government. It was organized by private interests, who spent a great deal of work and money in preliminary examination. They went out and got their management and their finance, and came to the government and said, "We cannot compete for this reason," and the government met the lack in that regard, which was lack of transportation.

Mr. GREEN: It is a little easier for them to do that in the east than it is on the coast.

Mr. HOWE: I cannot say about that, but I know that every steel industry in eastern Canada was started, not by government capital, but by private capital and private initiative.

Mr. GREEN: Well, but they are more firmly established in eastern Canada.

Mr. BLACKMORE: Could the minister say how much capital would be required to establish a workable project?

Mr. HOWE: You have a splendid industry established in your great province, a steel rolling mill of the type discussed for Vancouver. I suppose the capital invested in that is about a million dollars. If we are talking about steel, from the ore to the finished product, at least $40,000,000 would be required initially and probably considerably more before it was through. The report was made on it and the suggestion was that $36,000,000 would be the minimum.

Mr. GREEN: The McKee report sets out between $16,000,000 and $17,000,000.

Mr. HOWE: That is for a small beginning, a blast furnace.

Mr. HANSELL: Are cargo vessels built in Canada burning coal, or have you any burning oil?

Mr. HOWE: The North Sands type are coal burning and the Victory type oil burning, and plans are now being made for the production of a modified North Sands type which will have provision for burning either coal or oil.

Mr. BLACKMORE: The government has contributed a great deal of capital to the establishment of certain industries connected with the war. I have the impression that it has put a great deal of money into various private industries.

Mr. HOWE: No. The government has not put money into private industry, but has built government facilities to be operated by private industry. It has not financed private industry. It is unfortunate that the words "capital assistance" have been used to describe expenditures of this kind. Expenditures for increased industrial expansion are, in ninety-nine cases out of 100, built for the account of the government and are retained in the ownership of the government.

Mr. BLACKMORE: What seems difficult for us in the west to understand is why the government does not contribute capital to the establishment of a steel industry in British Columbia. I sympathize strongly with the people from British Columbia. I do not believe that industry is being conducted for the good of the country. In Ontario and Quebec, where industry is being centralized, the people will ultimately be among the greatest sufferers. Every effort should be made to decentralize industry, and for that reason I do think the government should do more than make an offer. They should actually make an endeavour to establish a steel industry in British Columbia.

Mr. GREEN: Has the government considered providing for a subvention on iron ore produced in the west? It might help in the opening up of iron mines. The provincial government have some provision for assistance, and it might be a great help if the dominion would do something similar.

Mr. HOWE: The dominion government have never subsidized iron ore. They are not subsidizing iron ore anywhere at the moment.

Mr. GREEN: It is a fact, is it not, that Canada is very short of iron ore and will be in the future?

Mr. HOWE: No one at the moment is short of anything. British Columbia is not short of steel and Canada is not short of iron ore. We are doing all right.

Mr. GREEN: We are using United States iron ore at the moment.

Mr. HOWE: Yes.

Mr. HANSELL: I do not quite understand the minister when he speaks about the unfortunate term "capital assistance". In *Votes*

and Proceedings of Friday, March 26, we have a list of companies that have been assisted—page after page of them. There must be hundreds of them. Surely all these companies mentioned do not belong to the government.

Mr. HOWE: Yes, they do. The companies do not, but the assets created by the money shown opposite the companies belong to the government, whether it be machinery or buildings or land.

Mr. HANSELL: And do I understand that none of this represents expansion of the firms themselves?

Mr. HOWE: The firms are using it, either machine tools or the building created at the government's expense, but it belongs to the government and it will be reclaimed by the government after the war.

Mr. HANSELL: But it does result in expansion of the company for the present.

Mr. HOWE: Yes.

Mr. GILLIS: I am interested in the question of Canadian seamen. The Minister of Transport is in his place, and there are a few questions I wish to ask him. The Minister of Munitions and Supply stated that the problem now is not getting ships but getting men to man the ships. I discussed this matter recently with a member of the Canadian seamen's union and he pointed out that Canada had lost 3,000 seamen to United States ships on account of the differential that exists between the wage rates, and more and more Canadian seamen are going in that direction. We can understand why. There is a lot of confusion in regard to wage rates as applied to the Canadian merchant navy. For example, the war risk bonus is a matter of agreement between the shipping companies and the seamen. If they are organized, there is some uniformity in the rates; if they happen to be on ships that are not unionized, then the bonus is not paid in the same way. I do not believe the government has anything to do with the war risk bonus. It is considered a matter of agreement between the seamen and the shipping companies. Second, there is a lot of confusion with regard to the cost-of-living bonus. A certain class of seamen receive it and others do not, and that is something which has not been settled so far as the Department of Labour, and the seamen generally, are concerned. I wish the minister would make some comment on that to show where the matter stands. I had a specific complaint only yesterday in a telegram from the Canadian seamen's union in Halifax, to the effect that a ship engaged in salvage work was about to start on a four months' trip going into waters which they considered entitled them to the war risk bonus. The bonus does not apply to salvage work within a certain area. This was a four months' trip.

Mr. MICHAUD: Is that a government-owned and operated ship, or is it private?

Mr. GILLIS: Private. No bonus applies, but the men are going into waters where the bonus should apply. The company does not pay. It stipulates that if the job is successful, when the men return, half of the risk bonus that applies to other ships in that area will be paid. That is a specific complaint and it may tie up that ship. I tried to get information to-day and succeeded in getting what they had, that as far as the government is concerned there is no authority in the matter. I think it is something that the government will have to interest themselves in. If you allow 3,000 seamen to go into other ships by reason of a difference in wage rates, that is a factor which will have to be taken into account, because there is no use in building ships to carry war materials if the ships cannot be manned. The country is full of war materials, but there is a lack of men to get the material moving. The matter should be clarified. There should be some uniformity on the part of the government.

Mr. MICHAUD: The hon. member has in mind conditions on privately-owned ships. The figures I gave a few moments ago with regard to basic rates were figures pertaining to government-owned ships, our steamships or those of other branches of government or in the Canadian government merchant navy. I agree that no jurisdiction over the seamen on privately-owned ships is now exercised or attempted to be exercised; that is a matter with which we have not dealt as yet.

Mr. GILLIS: That is exactly the point I am making. I do not think there is anything privately owned to-day in Canada, or in any country that wants to prosecute this war successfully. I think any agency that has a definite influence on the progress of the war and is not performing maximum service should be brought under government regulation. In connection with the question of seamen, when the shipment of war materials is definitely retarded by the wage factor I believe the time has arrived when definite regulations should be laid down by the government.

Mr. MITCHELL: I was late in getting into this argument, but I think my hon. friend knows as well as I do that the matter of seamen's wages comes before the national war labour board. If my memory serves me cor-

rectly, at this moment there are cases of this kind before that board. I think he will agree that this chamber is not the place to adjudicate on wage structures.

Mr. GILLIS: I did not make any such suggestion. I was endeavouring to get from the Minister of Transport a clarification of the regulations in regard to the war risk bonus and the cost-of-living bonus, because these are matters which are not understood.

Mr. MITCHELL: If my hon. friend works in between sessions, even he has a right to go before the national war labour board, as an individual, in regard to wages. When I was chairman of the national war labour board we adjudicated on war risk bonuses and we also did the same with regard to the cost-of-living bonus. I am pointing out what I think the hon. member will admit, from his own experience, that this chamber is not the place to negotiate working conditions when there is an agency that has been set up for that very purpose.

Mr. MacINNIS: I should like to know what the Minister of Labour thinks this chamber is for if members are not entitled to raise the grievances of their constituents here. At one time I thought the minister was a radical; as a matter of fact I helped to elect him on that basis when he first came into this house.

Mr. MITCHELL: And my hon. friend almost succeeded in losing that election.

Mr. MacINNIS: I believe I made a mistake, though I do not make mistakes very often. Now he comes along and says this is not the place to raise questions of wages because, he says, those questions will come before another body.

Mr. MITCHELL: I did not say that.

Mr. MacINNIS: The minister said this was not the place to adjudicate upon them. We are not trying to adjudicate upon questions of wages; we are trying to bring grievances to the attention of the ministers, to show them the conditions prevailing in this country. The minister says that anyone can bring a matter to the attention of the national war labour board.

Mr. MITCHELL: Or the regional board.

Mr. MacINNIS: That is quite true; but the minister knows as well as I do that before a person can appear and make proper representations before one of these boards, he must have some experience in negotiation, and the ordinary seaman has no such experience. They have to be organized, and even then they can get their experience only by putting such cases before the boards or by dealing with negotiating committees.

Mr. MITCHELL: They are fairly well represented; I know their officers fairly well.

Mr. MacINNIS: I know them too. Those who are organized are represented, and they have quite capable representatives, but they are not all organized. What has been done here in almost every action by the government has proved conclusively to the workers that they will not get any justice or any consideration unless they are sufficiently organized to demand it. Then you wonder at strikes. Many of our labour difficulties could be met before they developed if employers and the government would agree to meet the representatives of the workers and give proper consideration to their requests. It is a strange and dangerous doctrine to put forward in this house that we are not to raise matters affecting the workers here.

Mr. MITCHELL: It just so happens that my hon. friend is sitting there and we are sitting here. I often wonder how he would run a socialist state on the basis he has been mentioning. My hon. friend was business agent for the street railway union in the city of Vancouver, and he understands as well as I do that negotiations are always the result of a difference of opinion. If you did not have a difference of opinion you would not have two or three or four political parties; if there was not a difference of opinion there would be no need for trades unions. The hon. member gets my point, and if he were sitting here probably he would have to do as we have done; he would set up these agencies like the national war labour board and the regional boards to adjudicate on these things. I wish to say to my hon. friend that I think these boards have done a remarkable job in a big way. They are, however, human institutions; probably they have made mistakes, just as my hon. friend sometimes makes mistakes. I have no doubt he thinks he made a mistake when he came to speak for me in Hamilton; and let me say that we thought we would lose the election after he had been there. But while it is quite logical to bring a grievance before this House of Commons, I do not think this is the place to negotiate trades union agreements.

Mr. MacINNIS: We are not trying to negotiate trades union agreements here.

Mr. HOWE: I think this discussion is rather outside the item, Mr. Chairman. This item is to provide for the construction of boats, not for their operation. If there is any

question in regard to the wages involved in the construction of the boats, that would be quite in order, but I do not think it is in order to raise the question of wages in connection with operating the boats.

Mr. MacINNIS: The whole matter of the operation of these boats should come up here, because the minister referred to the matter of operation during his statement, and I think we have a perfect right to raise the point on this item.

Mr. POULIOT: I wish to ask just one question of the hon. member for Vancouver East, who has just spoken, and the Minister of Labour. Who is true to the old principles of the Cooperative Commonwealth Federation group; is it the Minister of Labour or the Cooperative Commonwealth Federation group?

Mr. COLDWELL: Actions speak louder than words.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Friday, June 18, 1943

The house met at three o'clock.

THE KING'S BIRTHDAY

REPLY OF HIS MAJESTY TO RESOLUTION EXTENDING GREETINGS AND GOOD WISHES

Mr. SPEAKER: I have a communication from His Majesty the King:

Government House,
Ottawa,
16th June, 1943.

Dear Mr. Speaker,

I am desired by the Governor General to enclose herewith a letter addressed to you by the private secretary to the King in connection with the resolution adopted by the House of Commons on the occasion of the official celebration of His Majesty's birthday.

Yours sincerely,
F. L. C. Pereira,
Assistant Secretary to the
Governor General.

Buckingham Palace,
8th June, 1943.

Dear Mr. Speaker,

The King has received from the High Commissioner for Canada a copy of the resolution adopted by the House of Commons of Canada on the occasion of the official celebration of his birthday.

I am commanded by the King to assure the members of the House of Commons of His Majesty's sincere gratitude for this expression of good wishes, and for the generous terms in which they refer to him.

The King shares in full measure their hope that the day may not be far distant when the blessings of peace may be enjoyed throughout the world once more.

Yours sincerely,
A. H. L. Hardinge.

INTERNATIONAL RELIEF

DRAFT AGREEMENT FOR UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

On the order for motions:

Right Hon. W. L. MACKENZIE KING (Prime Minister): On June 11, in reply to an inquiry from the Leader of the Opposition (Mr. Graydon), I stated that I hope to be able shortly to lay on the table the draft agreement for the establishment of a United Nations Relief and Rehabilitation Administration. I now table this draft agreement together with an introductory note explaining the status of the proposals. The draft agreement has been framed by the governments of the United States, the United Kingdom, the Soviet Union and China in consultation together. It was presented on June 10 for the consideration of other united nations by the Secretary of State of the United States on behalf of these four powers. It is contemplated that after the other governments have had an opportunity of examining these proposals they will be submitted for discussion and approval to a conference of representatives of the united nations and the nations associated with them in this war. The proposals are now under consideration by the government of Canada and Canada will be glad to send representatives to the projected conference.

The problems of bringing relief and rehabilitation to the war-torn regions of the world as they are liberated from enemy control are so vast as almost to stagger the imagination. Much preparatory work has been done in estimating the requirements in the occupied territories of our European allies and in planning the means for meeting these requirements as far as possible. An inter-allied committee under the chairmanship of Sir Frederick Leith-Ross has been engaged in this task in London for nearly two years. Relief and rehabilitation cover many things in addition to the supply of essential foodstuffs for the restoration and maintenance of health. Clothing and medicines will be urgent needs from the day of liberation. Throughout an essential purpose must be to restore production and commerce in the occupied countries by the provision or repair of means of transport, by the supply of agricultural seeds, machinery and live stock, and by making available essential equipment and raw materials for local industries, es-

pecially those engaged in the manufacture of consumers' goods. Relief in the narrow sense is only the first stage of feeding the hungry, tending the sick, and clothing the needy. Relief merges into rehabilitation—the restoration of the productive capacity of the occupied territories so that they may as soon as possible return to normal economic life.

The amounts needed to restore the economies of the occupied countries are very great indeed and the supplies available to the united nations are far from adequate to meet all urgent demands. It is, therefore, of the first importance that relief and rehabilitation should be conducted under a carefully planned international scheme, so as to ensure that the best use is made of available supplies and that relief is not denied to those in urgent need because they may lack financial resources or shipping or a stable authority to supervise distribution.

I have already stated that Canada is prepared to play her full part in international relief, and I am sure that this statement is supported in all quarters of this house. Since the draft agreement which I have tabled is tentative and will be revised in the light of the observations received from many governments, I believe that it is not necessary to discuss its terms at present in any detail. It is a first step in building a united nations organization for this purpose. It would establish at once a council on which all countries participating in the administration would be represented. The council would be supplemented by a central committee, a committee on supplies and regional committees. A director general supported by an international staff would be responsible for executive operation. That is the framework which the agreement would set up. After its establishment, the organs of the united nations relief and rehabilitation administration would work out detailed arrangements within this framework.

For the convenience of hon. members, I suggest that the draft agreement should be printed in *Votes and Proceedings* of to-day.

THE FIGHTING FRENCH

THIRD ANNIVERSARY OF CALL TO FIGHT—UNION WITH FRENCH ARMIES UNDER GENERAL GIRAUD

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, on June 18, 1940 in the darkest hour of this world-wide struggle, a small group of Frenchmen issued a call to their countrymen to continue the fight against the enemy until the hour of final victory. Since that day three years ago the strength and striking power of French resistance have steadily increased. To-day, the third anniversary of that significant step, would seem to be an appropriate occasion on which to welcome the recent union of the Fighting French Forces of General de Gaulle with the French armies commanded by General Giraud. The formation in North Africa of the French committee of national liberation is a clear indication of the determination of all Frenchmen to work together to bring about the total defeat of the enemy. Though the way will be hard and long we may now look forward, I trust, to the day when France herself will be free and united.

Mr. COLDWELL: Mr. Speaker, may I ask the Prime Minister whether this means that the government will recognize the Fighting French and the new committee as the true voice of France; and will the Canadian government give recognition in Ottawa to their representatives?

Mr. MACKENZIE KING: I shall make a statement later as to the recognition which Canada will give to the forces just mentioned by my hon. friend.

Mr. HANSON (York-Sunbury): Has the Prime Minister any information with respect to the reconciliation between General de Gaulle and General Giraud? My understanding is that reconciliation is not wholly complete.

Mr. MACKENZIE KING: There are difficulties, but I think that the statement I made is justified in the light of conditions as they exist at present.

CANADIAN ARMY

REFERENCE IN "GLOBE AND MAIL" TO ARRANGEMENTS WITH RESPECT TO PRIZE FIGHTING

On the orders of the day:

Mr. W. C. MACDONALD (Parliamentary Assistant to the Minister of National Defence): Mr. Speaker, on Friday, June 11, in answer to a question by the leader of the opposition (Mr. Graydon), I stated that I would make inquiries into allegations made by the sports columnist of the Toronto *Globe and Mail* with reference to arrangements made by the Canadian army respecting Private Johnnie Greco's boxing bouts.

I find that Greco was enlisted on January 13 last and was granted leave without pay from February 5 to February 20 in order to complete a pre-enlistment contract to fight Cleo Shans in New York on February 19. The army had nothing to do with this fight. Following the fight of February 19, Mike Jacobs on behalf of the Twentieth Century Sporting Club of New York asked for a return

bout to be held in New York and offered ten per cent of the gross receipts as a gift to military district No. 4 athletic fund. Officers of that district felt that the publicity would be of benefit to the army and Greco was given fourteen days' leave without pay to fight in New York on March 26. The athletic fund of military district No. 4 received $5,000 from the Twentieth Century Sporting Club as its share of the receipts.

As a result of Greco's success in New York it was decided to stage a show in Montreal on May 8. This was completely an army show. All details were handled by officers at military district No. 4 and no civilians were involved. Jacobs had nothing to do with this show except obtaining an opponent for Greco. He did not share in any of the receipts, although indirectly he may have benefited through his connection with Madison Square Gardens by participating in any royalties paid by the American Gillette Razor company for the broadcasting rights.

Greco received remuneration for the three fights. For his fight in Montreal he got $2,328, out of which he would have to pay his trainer, also training and incidental expenses. Military district No. 4 athletic fund got $1,586, clear of all expenses, out of the Montreal fight.

Officers in military district No. 4 felt that the Canadian army was receiving favourable publicity by Greco's fights. Consequently when the Twentieth Century Sporting Club offered him an opportunity to fight Bob Montgomery in New York the offer was accepted, subject to the exigencies of the service and to permission being given by National Defence headquarters for Greco to go to New York to fight. Permission was refused, so that the fight will not take place.

Mr. HANSON (York-Sunbury): What an important announcement!

Mr. RALSTON: So important that it was asked for twice by the leader of the opposition.

LABOUR CONDITIONS

TORONTO SHIPBUILDING COMPANY—DISMISSAL OF EMPLOYEES

On the orders of the day:

Mr. CLARENCE GILLIS (Cape Breton South): Mr. Speaker, I wish to ask a question of the Minister of Labour arising out of a telephone conversation this afternoon with union officials in Toronto. They state that 289 men were dismissed this morning by the Toronto Shipbuilding Company without notification. Has the Department of Labour any knowledge of the matter? If so, what steps are being taken to remedy this serious interruption of an essential war plant?

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, no intimation has come to me with reference to the subject matter of my hon. friend's question, but I shall be glad to make immediate inquiries.

SUPPLY

The house in committee of supply, Mr. Bradette in the chair.

DEPARTMENT OF AGRICULTURE

Science service.

10. Entomology, $459,197.

Mr. QUELCH: Could the minister give the committee any information regarding the grasshopper situation in western Canada? We are informed that there is likely to be a serious infestation in various parts of the west.

Hon. J. G. GARDINER (Minister of Agriculture): It is not expected that the situation will be at all serious this year. As hon. members from the west are aware, it is not usual for us to have very bad infestations under conditions such as we had last year, or following last year's conditions.

Mr. QUELCH: I understand from a recent crop report that certain parts of eastern Alberta are very dry.

Mr. GARDINER: Of course, in any limited localities where there are difficulties they will be taken care of, as usual, by arrangements between this department and the departments in Alberta.

Mr. HANSON (York-Sunbury): Are there any new developments in this department? It has done a great deal of good work in connection with the potato industry in New Brunswick. Has the minister anything to report in that connection? I understand that the late director, Doctor Gibson, has been retired on superannuation and that a successor has been appointed.

Mr. GARDINER: So far as Doctor Gibson is concerned, Doctor L. S. McLaine is taking his place.

Mr. HANSON (York-Sunbury): Yes, I understand that. What I want to know is whether the minister has anything to report in the way of progress made last year. In my view this is an important service. Has he anything interesting to tell the country?

Mr. GARDINER: There is nothing at present which would warrant a special statement with regard to this particular section. The

usual work, of course, is going on, and a little later in the season, because of some investigations which are now being held, a statement will be made.

Mr. HANSON (York-Sunbury): Has the minister had any report on an infestation which is affecting the elm trees in my city? Does the department take cognizance of that sort of thing—tent caterpillars and the like—and what help do they lend to treatment?

Mr. GARDINER: The laboratory which deals with that matter is located in Fredericton.

Mr. HANSON (York-Sunbury): Yes.

Mr. GARDINER: And of course they examine into all difficulties which arise in connection with trees or forests in general and make reports on them, and efforts are made to combat such difficulties as exist.

Mr. HANSON (York-Sunbury): Can the minister give us any information as to what progress has been made towards coping with the infestation of the hardwood trees in eastern Canada, and also the sawfly infestation in our eastern forests? A great deal of damage has been done to the hardwood growths; hundreds of thousands of dollars have been lost, I am afraid, by reason of these infestations. The department was taking steps to combat both. Has the minister anything to report?

Mr. GARDINER: I suppose it is the bronze birch borer which is referred to. My understanding is that there has not been discovered any means of combating the attacks that are made by the borer on hardwood trees, but that the department assists in salvaging the wood which is affected as a result of the operations of this insect.

Mr. HANSON (York-Sunbury): Is the department continuing investigations of ways and means of combating it? What progress if any has been made beyond the mere negative which the minister has indicated? This is very important; the infestation is the source of great loss, as I tried to emphasize a moment ago. Has the same situation been met in the United States; what, if anything, has been done down there; and are we utilizing all available sources of information from the continent if there are any such now? Germany used to be very much alive to this sort of thing, but I suppose that source of information is now dried up. No progress has been made; in effect that is what the minister tells us?

Mr. GARDINER: That is quite right.

Mr. HANSON (York-Sunbury): I am sorry to hear it.

Mr. GARDINER: The work has been going on continuously, but we have not yet discovered any means of successfully combating the borer.

Mr. HANSON (York-Sunbury): What about the sawfly? Some years ago a parasite was imported. Has that experiment been successful; that is, in connection with the spruce?

Mr. GARDINER: Yes, Mr. Chairman. The method of fighting that particular insect has been described to the house, I think, each session since I have been down here, and probably for some time before that. The scourge has spread over a very considerable part of the area, particularly in the eastern part of Canada, and we have been breeding parasites and distributing them. I understand that some 800 millions have been distributed, and the insect seems to be under control. The scourge is gradually being reduced in different parts.

Mr. HANSON (York-Sunbury): That is to say, the infestation is not spreading?

Mr. GARDINER: No, it is not spreading; it is being reduced rather than increasing.

Mr. PERLEY: This year, throughout Canada, and particularly in the west, the people responded to the idea of victory gardens, but I understand there has been quite an infestation of the cutworm. I had a letter yesterday from a correspondent who said that this year he put in about another acre of garden to produce vegetables, because of the appeal which was made to do something in that line, but practically the whole thing has been destroyed. He wound up his letter with the words, "No more victory garden for me." Will the minister state what information he has with respect to the cutworm, what damage it has done, and what steps are being taken to deal with it?

Mr. GARDINER: The cutworm, of course, is always present, particularly in western Canada, whether they are victory gardens or whether they are not. Cutworms do not pay much attention to that.

Mr. GRAYDON: They do not make any discrimination.

Mr. GARDINER: No; and at times they become so plentiful that they destroy the crops as well as the gardens. I am not aware that there is any serious infestation this year in connection with crops, but I have no doubt that considerable destruction has taken place, as usual, in gardens. The only thing I can say with regard to dealing with them is that in the experience of the past there has been a

fly which has usually followed the cutworm and which acts in somewhat the same way as any parasite acts upon any of these different pests that we have. The fly darts around and lays an egg in the cutworm which results in the cutworm itself being consumed. That goes on continuously; it is a peculiarity with insect life. I do not know what can be done about the cutworm in gardens, unless one goes out in the garden and sees to it that they are destroyed with poison or otherwise.

Mr. NICHOLSON: I understand that some damage has been caused by the mountain pine bark beetle. Does that come under the supervision of the Department of Agriculture, and if so, how many men are engaged in combating this pest? What success are they having?

Mr. GARDINER: The work is directed by the entomological branch, as is all work done in connection with insects and grubs. The men are provided for that particular task in that area by the mines and resources department, and it becomes a matter of forestry. I am not sure about the number of men employed in the work, but the work is being carried on.

Mr. NICHOLSON: Has the minister any information as to the importance of the work and what the consequence is likely to be if this pest is not controlled?

Mr. GARDINER: If the insect is not controlled it will do a great deal of damage, more particularly to the scenic aspects of that particular area. Much of the pine is jackpine and is not as valuable commercially as some other varieties of pine, but the damaging of any timber anywhere must be controlled if at all possible. I understand that this particular parasite is under control and is not doing as much damage as it would otherwise.

Mr. QUELCH: I wish to call the attention of the Minister of Agriculture to an advertisement appearing in a recent issue of the *Herald* of Hanna, Alberta, under the heading "Sylvatic Plague." A map is shown of the area affected, north, east and south, and for further information readers are directed to write either to the department of health or to the department of entomology. In my opinion this is more a matter for the entomological branch than for the department of health. I quote the advertisement:

Warning

All persons residing, or entering within, the areas shown on the accompanying map are hereby informed:

1. That gophers, and gopher-fleas, infected with sylvatic plague are present in these areas.

2. That sylvatic plague is a very serious human disease.

3. That it is possible for man to contact sylvatic plague by handling infected animals or through the bite of an infected flea.

4. That vaccination against sylvatic plague is not feasible at present.

5. That the only method of control of sylvatic plague in nature is by the control of the gophers.

6. That control of gophers requires a systematic gopher poisoning campaign on each farmstead.

7. That it is imperative that all residents within the infected areas take the following steps to protect their health and welfare.

(a) Do not handle living or dead gophers. Gophers found dead should be buried.

(b) A well-organized "gopher control" campaign using a recognized gopher poison should be carried out on each farmstead. Particular attention should be paid to effective poisoning on the land surrounding the buildings.

This disease is going to spread unless effective action is taken to control it. As a matter of fact it has already spread, and the areas affected are in townships from 24 to 30 miles apart. The farmers in these areas are too sparsely settled to carry out an effective poisoning campaign, and if we are to depend upon them to kill the gophers these animals will not be destroyed. I suggest that the army could very well be utilized for this purpose. In the district south of Hanna in the Tilley area a great deal of work is being carried on experimentally with gas, and I should imagine that gas would be the best means that could be used for destroying gophers in an area of that size, which is 66 square miles. These fleas can be carried by stock or by human beings. Evidence of this may be found in the fact that men carrying on investigational work travel in a car equipped with a bath and as soon as they have finished their field work they take a bath. But invariably they find a number of fleas on their clothes, and these fleas can give the plague. If the fleas are carried out of the area on live stock the disease may spread to other parts of Canada. I suggest that we should do everything in our power to destroy this menace while it is still confined to a limited area. Would it not be possible for the federal government to cooperate with the province in a systematic campaign for the purpose of destroying the gophers? I repeat, if you depend on the farmers to destroy the animals they will not be destroyed and the plague will gradually spread over various parts of the west.

Mr. GARDINER: The work that is being done in this direction is being carried on in the health department and not under this department. I am not sure what the arrangements are between the health authorities in the province and the administration here, but work has been going on for two years constantly.

They have the assistance of our entomologists but the work is really paid for and directed by the Department of Health. I think it would be more helpful to the hon. member if he would discuss it when the estimates of the Minister of Health are before the committee.

Mr. QUELCH: But the department of health would have to depend on the Department of Agriculture for the campaign to destroy the gophers. It is hardly within the purview of the department of health to poison gophers.

Mr. GARDINER: The men out there from the department of health are making a study of the disease itself, the means by which it spreads, and methods whereby it can be avoided. The information thus obtained will be reported to those persons who will use it for the purpose of destroying as far as possible the gophers and the fleas.

Mr. QUELCH: I understand that so far the work done is merely investigational. They have not themselves carried out any work for the destruction of the gophers. They have recommended that the farmers should destroy them but no action has been taken to institute a campaign for the wholesale destruction of these animals. The farmers are not doing it, because in many areas they are operating several thousands of acres and one farmer could not possibly poison such a vast area.

Mr. GARDINER: Investigational work will be carried on by the health department, but the work necessary to combat the disease would, I should think, be carried out by the provincial authorities rather than by the federal department either of agriculture or of health. Matters having to do with health are largely under the administration of the province, and that is true of the destruction of gophers. It is not under my administration but under provincial administration; I am quite sure, however, that the authorities in Alberta are alive to the situation and will deal with it, as it is their duty to do. However, if representations are made here and any assistance can be given by any of our people it will always be given.

Item agreed to.

Science service.

11. Plant protection, $280,591.

Mr. GRAYDON: May I ask the minister to give some description, not in detail, of the work which this plant protection branch of science service actually accomplishes? I believe we had an item before us on a previous occasion, but I am not sure that we have ever had a detailed description of the work for which this vote actually provides.

Mr. GARDINER: The purpose of the vote is for the inspection and treatment, if required, of imports and exports of plants and plant products for insect pests and plant diseases; in cooperation with the British Ministry of Food, inspection of ships at maritime ports for insect infestation, and the supervision and treatment when required prior to loading of food and plant products; in cooperation with the division of entomology the inspection of grain elevators, warehouses, dehydration plants and grain storage ships in great lakes ports for insect pests, and supervision and treatment when necessary; to maintain essential seed supplies inspection in the field, in storage and at shipping points of potatoes entered for certification as seed potatoes, in cooperation with the Department of Trade and Commerce and with the marketing service of the Department of Agriculture; the promotion of the export trade in seed potatoes; potato tuber indexing in greenhouses during winter, to assist growers in the prevention of disease from potato stock; issuance of certificates of health for plants and plant products to meet requirements of importing countries; maintenance of quarantines under the Destructive Insects and Pests Act; the eradication or control of foreign insect and plant diseases, established in Canada, including the Japanese beetle.

Mr. PERLEY: How much of this amount would be spent on inspecting elevators to ascertain the damage caused by the mite which affects grain before it goes into storage?

Mr. GARDINER: I have not the amount shown separately from the total expenditure. But this particular branch takes care of all studies or investigations made in connection with that kind of thing, from Fort William east; and the branch we dealt with a few minutes ago takes care of all the work from Fort William west. So that the whole expenditure would not be made under this vote. Half of it would be made under an earlier vote.

Mr. PERLEY: A great many elevators were inspected, though, even in the interior.

Mr. GARDINER: Yes, many of them.

Mr. COLDWELL: A question was asked the other night with respect to the cultivation of a new species of dandelion.

Mr. GARDINER: That comes under the item for experimental farms.

Mr. PERLEY: When we were in committee a week ago, discussing item 3, the minister said he would table the report of the advisory committee on agricultural services. He said there was a report, and that before going into committee again it would be tabled.

Mr. GARDINER: The only thing available is the minutes of the meetings of the advisory committee. However, I shall make a further check.

Item agreed to.

Experimental farms service.
12. Experimental farms administration, $59,480.

Mr. ROSS (Moose Jaw): Speaking in the house last March I said that when the agricultural estimates were under consideration I intended to move an amendment asking for the allocation of $500,000 to be appropriated by the dominion government for agricultural research in Canada. Looking over the estimates I see no point at which within the rules I could move an amendment of the kind. Perhaps my purpose will be better served if, instead of endeavouring to move an amendment, I initiate a discussion on the subject.

Mr. GRAYDON: The hon. member is not surrendering his position?

Mr. ROSS (Moose Jaw): No, not a bit; if the leader of the opposition can show me where my amendment can be properly moved, I shall move it.

Mr. GRAYDON: That is your job, not mine.

Mr. ROSS (Moose Jaw): As I said in March, in Canada we have not gone very far in the matter of agricultural research. Our experimental farms and our departments of agriculture across the country have done much excellent work in connection with production services, the dissemination of information on cultural methods, the health of animals, the breeding of animals, plant breeding and many other subjects of great interest to agriculturists in Canada. But as yet we have not done any real work in respect of at least two phases which require careful study. One has to do with agricultural research in order further to develop ways and means of distributing foodstuffs throughout the world, and the other has to do with finding ways and means of using agricultural products and by-products in industry.

[Mr. Coldwell.]

In the United States during the past few years four great agricultural research laboratories have been set up. We would do well to follow the United States in that particular. I hold in my hand an article which deals with the different agricultural research laboratories in the United States. It points out that a northern laboratory was established at Peoria, Illinois, a southern at New Orleans, an eastern at Wyndmoor, near Philadelphia, Pennsylvania, and a western in southern California, near San Francisco. The article states:

> When congress provided for the establishment of these laboratories it made clear the type of research it had in mind, and stated it in the act as follows:
>
> "The Secretary of Agriculture is hereby authorized and directed to establish, equip and maintain four regional research laboratories, one in each major farm producing area, and, at such laboratories, to conduct researches into and to develop new scientific, chemical and technical uses, and new and extended markets and outlets for farm commodities and products and by-products thereof. Such research and development shall be devoted primarily to those farm commodities in which there are regular or seasonal surpluses, and their products and by-products.

We would do well to follow the example of the United States in this regard. There are four sections in Canada which should have the services of laboratories. The maritime provinces would compose one section, the central provinces of Ontario and Quebec a second, the three prairie provinces a third, and British Columbia a fourth. In all these areas different types of agriculture are carried on, and there is great scope in all four for work to be done in agricultural research.

First, in regard to foods, we should be able through research to find out and to set up grades and standards which have for their basis complete information from analyses as to the food value of products, their chemical constituents and vitamin values, as well as their nutritional content. Through research we can also find new methods of transportation, cold storage and the handling of farm products for export; the handling of fresh foods, storage conditions, distribution methods and packaging; quick freezing and dehydration methods and the preserving of foods both commercially and for domestic use.

In these different laboratories I suggest that in the maritime provinces, for instance, research work could be done in connection with fruits, potatoes, legumes, grasses, marsh grasses, plastics and substitutes for building materials. In that laboratory a great deal of very necessary information could be gained by studying fish, fish products, fish oils, sea foods and by-products thereof. In Ontario and

Quebec work could be done on tobacco, corn, animal fats and oils, skins, hides and tanning, vegetable products, fruits, soybeans, fibre flax, milkweed, milk products, beans and peas. In the western provinces the work might include corn, wheat, coarse grains, oil seeds, a fermentation pilot plant for the purpose of discovering uses of derivatives from different grains, chemical uses of starch, the development of butylene glycol, sugars, glucose and the industrial uses of starch, alcohols and organic acids.

Mr. GRAYDON: Does that list cover alfalfa?

Mr. ROSS (Moose Jaw): Not in the west; that comes under legumes and grasses in the maritimes.

Mr. GRAYDON: Of course you have alfalfa in Saskatchewan.

Mr. ROSS (Moose Jaw): Yes, but we grow it for seed more than anything else, while in eastern Canada it is grown more for feed or for sale.

Mr. COLDWELL: What about bees in the west? The problem is different there than in the east, I believe.

Mr. ROSS (Moose Jaw): I believe these different laboratories should cooperate with each other, so that the work being done in one would be made known to the others. I am simply laying out certain things that I think might be dealt with in the different laboratories throughout Canada. In British Columbia they might study apples, all types of fruits both small and large, vegetables, milk and milk products, grasses and legumes, seeds, seed crops and the residue from seed crops which are grown in British Columbia; drug plants, which are starting to be grown there; poultry products and by-products and again fish and sea food by-products. The industrial uses of all these by-products in the various parts of Canada could be worked out in the different laboratories.

I do not intend to detain the committee or the minister longer in regard to this matter. I think we are long past the time in this country, with agriculture such an important industry, when we should have expended large sums of money for the purposes I have mentioned. The amount I asked, $500,000, is a very small amount for this purpose; it is only a start. I intimated also that I thought the different provinces of Canada should help by putting up smaller amounts, and also that industry in Canada should be willing to help by giving perhaps a couple of hundred thousand dollars a year to this work, because they too would benefit greatly by the things which might be found out during the course of the work carried on in these laboratories.

I bring up this matter under the Department of Agriculture, knowing that for years we have had a research bureau here in Ottawa, which has done excellent work. Unfortunately for the agriculturist in Canada, however—and this is my opinion—with the laboratory located here in the centre of the industrial area of Canada, quite properly the men in charge have endeavoured to work out the problems that have been placed upon their desks day by day. Therefore to a large extent the problems of industry have been worked out while the problems of the agriculturist have not been properly placed before the bureau here in Ottawa. I think therefore the only way to have this work carried on is to have a separate branch altogether, with money voted for it separately, in order that agriculture might set up its own research bureaus and carry on its own research work. No doubt certain men who are to-day connected with the national research bureau would be taken into these new bureaus, and they would be very good men because already they have done valuable work for agriculture in Canada. We have never had a set-up under which a sufficient number of scientists could be brought together in a laboratory in Canada to work on agricultural products, knowing that from one year to the next they could carry on and the money would be provided.

Mr. GRAYDON: Is there any comprehensive work of this kind being carried on in any of the provinces now, to my hon. friend's knowledge?

Mr. ROSS (Moose Jaw): No great amount, though some work is being done in connection with the research bureau by various agricultural colleges and universities throughout the country.

Mr. GRAYDON: I had in mind soil testing, for instance.

Mr. ROSS (Moose Jaw): Yes, that is done in different provinces, but I am endeavouring to visualize the large programme that is very necessary to this country, and I think my hon. friend agrees that we should start now. Only to-day the Prime Minister made a statement in regard to food after the war. We are not going far enough in endeavouring to find out the things we should find out right now in order that when this war is over we may be able to produce, dehydrate and transport the foods it will be necessary to send to hungry people in other parts

of the world. These are all things that can be worked out in laboratories of the type I have mentioned.

Mr. GRAYDON: Would it be my hon. friend's idea that this scheme should be co-ordinated with the facilities that exist at the present time in the various provinces?

Mr. ROSS (Moose Jaw): Absolutely; I think we should cooperate with anyone in order to get everything possible done. I am sure any laboratories set up by the Department of Agriculture would be only too glad to cooperate with any scientific men throughout the dominion, whether employed by industry or by the provinces.

Mr. GRAYDON: As I understand the hon. member's plan, it would have to be a dominion-provincial scheme.

Mr. ROSS (Moose Jaw): It would have to be started by somebody, and I believe this is the place to start it. In conclusion I want to say that I hope other hon. members, who I know are as much interested as I am in this thing, will stand up in their places this afternoon so that we may have a real expression of opinion on this question. The government will then realize that something of this kind should be done in Canada at the present time.

Mr. GRAYDON: I may have something further to say at a later stage in this discussion. Those of us who come from rural areas are naturally interested in any scheme to improve the position of the farmer. The hon. member referred to this matter earlier in the session, and again on March 17. At that time we were encouraged to think that he was going to make a determined drive upon the government. He took a vigorous stand and said, as reported on page 1330 of *Hansard*:

> When we reach the agricultural estimates it is my intention to move an amendment which I hope the government will see fit to accept.

I am sorry to have seen the member adopt a compromising attitude this afternoon. When he retreated from the strong position which he took on March 17—perhaps it was because it was March 17 that he took that position—I would have preferred that he did so because under the rules of the house a private member is not permitted to move an amendment which will increase the estimates. However, evidently that is not his idea, because he has just taken the position that he will do what he has done so many times—make a recommendation to the government.

I should have liked the hon. member to give us further particulars of his plan, to which no doubt he has given considerable study. Over the years there has been a gradual development in agriculture along the lines of technical research, and farming to-day is a vastly different thing from what it was yesterday. The agricultural industry, however, is a long way behind many other industries in connection with the return obtained for the labour and management and capital invested. These are matters which can be dealt with at a more appropriate time. Farmers and farm labour have seen fit to trek to other lines of endeavour where there are more appropriate returns. Having that thought definitely in mind, the question of a greater production from the same amount of labour becomes a matter of considerable importance.

The question raised by the hon. member with respect to scientific experiments and varied uses of farm products is an important one, but how best we can accomplish it is something which will have to receive considerable study. We must get the best out of any plan that is proposed. Many hon. members who are farmers no doubt will be able to express themselves better than I and from a greater experience, but I think they will agree that in many instances the farmer who has made the most money or has achieved the greatest material success has been the man who has engaged in some specialized type of farming which perhaps has not been subject to the same competition as other lines. This has been demonstrated to me by several farmers whom I know well, many old neighbours of ours on the farm. Keeping that definitely in mind, it seems to me that there is a place for the scheme the hon. member proposed.

I am not finding fault with the minister or with his splendid department, but the fact is that agricultural research is a long way behind. More consideration will have to be given, perhaps under the leadership of the dominion government, to scientific farm research. When the hon. member was speaking I threw in one or two interjections with regard to the position of the existing facilities in the various provinces which have been attempting on a smaller scale to deal with the problems mentioned by the hon. member. In carrying out a scheme such as is envisaged by the hon. member I think it is essential that the department of the government more particularly involved should confer with the provinces in order that there may be proper coordination and cooperation.

Agriculture has been behind other industries in scientific and laboratory experiments. There is a good reason for this. In many instances industry has been in position to

spend considerable sums of private money upon scientific research for the development of the particular industry. But in the past, and at present, our farmers have not been and are not in that position. Most farmers have a difficult enough time now to get along, to pay their debts, to educate their children, to carry on their normal pursuits of life without having anything extra left over to undertake any experimentation or laboratory work. I think all of us can recall instances where particular industries have made considerable progress along scientific lines, but unfortunately agriculture has not had the same opportunities.

If I understood correctly the theme of the hon. member's address this afternoon it is that we should provide for agriculture the same opportunities that are given to industry in order to bring about greater returns. At the proper time the minister and his assistants will be able to give us the necessary technical information. Everything possible should be done to help the farmer along these lines and to at least put him in a position nearer to that of industry. I know of no reason why the farmers of this country should not enjoy the same advantages and opportunities as other industries. On these general lines I am strongly in favour of the suggestion which has been made by the hon. member for Moose Jaw. I think my views are stronger, if possible, than his on this subject, and I was sorry that he started off with such high power only to land up in low gear, as he did this afternoon.

Mr. COLDWELL: Mr. Chairman, the hon. member for Mackenzie (Mr. Nicholson) is going to place our joint view before the house in order to shorten the discussion. I shall content myself by saying that we strongly support the request that has been made by the member for Moose Jaw (Mr. Ross) that a special appropriation be made for conducting this important experimental work. He has quoted from United States records showing to some extent what has been done in that country, but to save time he quoted, I think, only in part. We know the tremendous amount of work that can be done along this line, and we are glad to support in every respect the request he made this afternoon.

Mr. NICHOLSON: Mr. Chairman, I think the member for Moose Jaw has placed the house and the country in his debt by opening up this important subject. I recall that during the early thirties, when wheat was selling at the lowest price in history, the federal government of the day, assisted by the Saskatchewan government, spent large sums of money to bring people from the drought area to the north country to produce more wheat. If half a million dollars had been spent at that time in trying to devise new uses for agricultural products something much more useful would have been accomplished, because many people who were established on farms in the west during the thirties have left the farms and the investment made has been a complete loss in many cases to the federal and provincial authorities.

Members of the committee who would like to have up-to-date information on this interesting subject of chemurgy I feel sure could obtain it from the Saskatchewan Industrial Development board, which issues publications from time to time. I hold in my hand one of their circulations which contains a report of an address given by Thomas B. Hill, Secretary of the Department of Conservation and Development, Olympia, Washington. For the benefit of those who are not familiar with this interesting subject, he explains at the outset what chemurgy is all about. He says:

> Farm chemurgy is chemistry at work on farm products. Heretofore there has been something very scientific about the word to the lay public, and the average person has been inclined to shy away from it. But chemurgy is neither too scientific, nor is there anything mysterious about it. As a matter of fact it is thoroughly practical, and the public in becoming familiar with it is finding out that it means the utilization in industry of surplus and waste crops, and the development of specialty crops.

He goes on to tell of the place of the soybean in our modern economy, and says:

> Less than ten years ago practically no soybeans were being produced in this country. So rapidly was it developed as an industrial raw material, that in 1941, 5,855,000 acres were devoted to the crops, with a production of over 100,000,000 bushels. So great had become the demand for soybean products that for 1942 the farmers of the United States were urged to plant 9,000,000 acres to the crop. Here we have nine million acres of farm land devoted to a crop that was unknown ten years ago. The crushing of the beans to obtain the oil and meal, and the manufacturing of the various by-products, constitute a large industrial operation.

I know that a good deal of experimental work has been done in Canada, but what has been accomplished in the United States shows how important it is to spend a considerable sum of money on experimental work.

Here is another interesting fact given in Mr. Hill's address:

> Comparatively few people know that a fur made from casein, a milk product, is being used in place of rabbit fur in the manufacture of men's felt hats. The extent to which it has thus been used in the last two or three years is astounding. There has been a shortage of rabbit fur, which comes largely from England, Scotland, New Zealand and Australia, because of the war. It is estimated that 50,000,000 felt

hats were made from casein in 1941. Now that a shortage in milk is developing, chemurgy no doubt will produce some other product to take the place of rabbit and casein fur.

I also have here the publication "So That Man May Prosper", from which the hon. member for North Battleford quoted extensively the other night when speaking of synthetic rubber. I shall not take time to make any comment on the reply which the Minister of Munitions and Supply made to the statements in this publication, but I would draw attention to three or four developments dealt with by the author, Mr. Dyson Carter, in this publication. He of course spends a good deal of time in discussing industrial alcohol and I feel sure that the future will demonstrate that wheat and other agricultural products can be used successfully in the manufacture of synthetic rubber.

Mr. Dyson Carter also has an interesting article on plastics. He says:

> Hundreds of thousands of tons of straw and similar material goes to waste on our farms every year—the largest garbage pile in the country. Several processes have been developed to make plastics from straw. Iowa State College scientists have perfected such a plastic in several forms, with the cost as low as 4½ cents a pound. This is about half the price of the cheapest plastic now on the market. The Iowa material can be made into practically any shape or size of product. In large slabs it can compete with the better grades of lumber for construction purposes.

There is also a section on cloth, from which I quote:

> In one process developed by the Ford Motor Company scientists, soybean meal (after the oil has been extracted) is chemically treated so that it becomes liquid. This liquid is handled just as liquid rayon—it is sprayed into a chemical bath, in which the fine jets of liquid instantly turn into firm threads. These threads can be made to resemble either silk or wool. The "soy threads" are at present being woven and knitted, and the cloth is being marketed in the United States for hat felts, suitings, upholstery fabrics, etc.

He tells of several other developments in connection with soybean industries and of new uses for flax and deals with dandelion rubber. Of the latter he says:

> For twenty years Russian scientists and practical farmers have studied the problem of growing natural rubber in cold climates. The tropical rubber tree will not survive. But there are other plants that produce rubber. Among these are Guayule and Kok-Sagyz.

I understand that the minister intends to make a statement on the problem of growing rubber, to which Mr. Dyson Carter devotes half a page in this publication.

Furfural is also discussed, and several miscellaneous projects, such as the wallboard industry, the manufacture of new types of cements, fuel for heating rural homes. The subjects which are discussed by Mr. Dyson Carter in this publication suggest a wide field for study if an appropriation were made such as the hon. member for Moose Jaw suggests. I think he is very modest in asking for only half a million dollars. That does not seem to go very far in these days. When one thinks of the future of western Canada and the importance of finding new uses for agricultural products grown on those plains, the Minister of Agriculture would be wise, I think, to bring in an estimate next year, or as the hon. member for Vancouver East suggests, a supplementary estimate this year, appropriating at least half a million dollars for the purpose of carrying on this experimental work. I am sure that an appropriation such as the hon. member for Moose Jaw proposed would meet with the support of members on this side and of members on the government benches.

Mr. WOOD: I wish to support the suggestion which the hon. member for Moose Jaw has made to the minister. The speech which the hon. member for Moose Jaw made earlier in the session aroused a great deal of interest in my community. I had many comments upon it, all to the effect that for a downright, honest, practical suggestion that actually would bring results to the farmer, the suggestion made by the hon. member for Moose Jaw took the cake. I am passing this compliment on to him because I know that the people of Brant were much interested in the contribution he made in this speech. It revived their belief that those who are championing the cause of agriculture include at least one man who has touched upon something which gives ground for hope in the future. Since the hon. member made that speech I have discussed the problem with many persons who are interested in the subject. In my opinion there is a great opportunity for those who are prepared to interest themselves in finding new outlets for the products of the farm. I know of no better way of encouraging agriculture.

May I say that I am not sure I agree with the leader of the opposition in his remark that the only prosperous farmer is the farmer who specializes.

Mr. GRAYDON: No, Mr. Chairman, that is not what I said.

Mr. WOOD: I understood the hon. gentleman to say that in the great majority of cases the prosperity of our rural people depends upon specialist farming.

Mr. GRAYDON: No; I said that those who interest themselves in special lines of farming

find themselves in perhaps a little better position to be assured of better returns than those who do not.

Mr. WOOD: Well, I think the hon. member and I are very much on common ground. It is true that some specialty farmers have made an unqualified success, but it will be found, I believe, that there have been more financial disasters among those who, in pursuing some special line, put all their eggs in one basket. From experience in my own community I would rather say that the average well-to-do farmer is the man engaged in mixed farming, because if one line fails him he has some other to fall back on. No doubt there are exceptions to all rules; I do not know that either my own viewpoint or that of the leader of the opposition proves invariably correct. There are specialists who have made successes as well as those who have made failures; probably the same applies in the case of mixed farming.

The hon. member for Mackenzie (Mr. Nicholson) spoke of the value of straw, and suggested that it was one of the articles which in this country is most often wasted. So far as Ontario is concerned, my view is that it is a mistake to let straw leave the farm. I do not believe you can get any return from straw which you dispose of that will compensate for its value when applied to the soil.

Mr. GRAYDON: I believe everyone in eastern Canada will agree with what the hon. member says on that particular point. Actually most of the farm leases contain a clause that straw must not leave the farm. As my hon. friend knows, there is very good reason for that provision.

Mr. WOOD: I appreciate the reference of the leader of the opposition to the legal aspect of this matter. There is no doubt that the purpose of inserting that clause in the contract is to protect the fertility of the farm.

Attention was called in the agriculture committee this morning to what has been achieved by disposing of a by-product of the flax mills to the pulp mills, thereby converting 500 carloads this year into various grades of paper. There is one case where research has made use of something which would otherwise have gone to waste. It leads me to recommend to the minister that, in case a research bureau is decided upon, it should cooperate with industry, which already has many research laboratories of its own. A young chemical engineer in one of the food companies whose parent company is in the United States drew my attention to the great possibilities which exist in cooperation with industry, and I believe that industry would welcome the opportunity to cooperate with the government. If we can set them a specific job to do, as they have the necessary equipment and very considerable experience, we may possibly obtain results which will benefit not only the farmer and the industrialist but the nation at large. That is a field wherein we can start something immediately, without incurring any great additional cost, by simply utilizing facilities which are already available.

There are other directions in which such a bureau could enlarge its efforts. I have often wondered why farmers, while so anxious to purchase labour-saving machinery for the production of field crops, completely neglect opportunities of labour saving arrangements in so designing their buildings as to facilitate the doing of work which has to be done every morning, noon and night in the care and feeding of live stock. It seems to me that we have a great field there for planned agricultural architecture. Some people may be inclined to say, let the farmer erect his buildings any way he wants them; it is he who has to do the chores. But in my experience most farmers are only too glad to receive suggestions from those who can assist them, and I believe they would welcome architectural designs for application to farm buildings which would assist them in feeding their stock with less labour and take some of the drudgery out of their lives. In that way, this particular bureau might make an important contribution to the happiness of life on the farm.

I wish now only to emphasize my appreciation, and that of many others with whom I have spoken, of the contribution which the hon. member for Moose Jaw has made to this subject. We hope it will bear fruit.

Mr. JAQUES: At the risk of appearing somewhat old fashioned, or even reactionary, I should like to express myself on the subject which is under discussion. I believe I have some qualifications, because before beginning to farm in Canada now some forty years ago, I happen to have studied analytical chemistry in England. If I have not the respect for science that some members seem to have, as a solution for our troubles, it may be the result of my long experience. I remember a few years ago wandering through our experimental farm here in Ottawa and coming on some men in a laboratory. I asked them what they were doing, and they told me they were experimenting with cider. They were trying to make a really good cider with Canadian apples. I asked them if there was

any difficulty about that. They said, "We have tried apples from different parts of the country, from Prince Edward Island to Vancouver island, but so far we have not been able to find an apple which when fermented will retain the flavour of the apple." They had a number of samples of cider and they kindly gave me a glass. They asked me my opinion of it, and I said, "Well, it is a long time since I left home, but as far as I can remember that seems to me pretty fair cider." One man said to me, "Yes, that is all right; but one-third of the apples came from England." I said to him, "I know something of analytical chemistry and I don't think you will find a solution to that problem in any test-tube." He admitted that he did not think they would. I said, "I will give you another instance. You cannot make Devonshire cream outside Devonshire." Probably my hon. friend will bear me out in this. This scientist on the experimental farm said, "Yes; that is true, I know it, because I lived in Somerset before coming to Canada and we used to make Devonshire cream and sell it. You can make it in the west of England but nowhere else. I thought I would make it when I got to Canada and that I might do very well out of it. I tried it in Nova Scotia. They can make Devonshire cream, yes, but it has no flavour." The same in British Columbia. Friends of mine are Devonshire people and they make Devonshire cream. It looks the same, but there is no flavour. That is the fault of it.

I mention these things just to show that science is not the entire answer to these problems. Agriculture is more than a science; it is an art. People seem to think that we know more about farming through science than our forefathers did a hundred years ago, but in my humble opinion we have forgotten a great deal that they knew then and I think we have to go back and rediscover a lot of the knowledge they had.

I understand that in England it has been rediscovered that by and large, generally speaking, the health of human beings depends more than anything else on the food they eat, the quality of the food; and that again depends on the health of the soil in which that food is grown. You cannot maintain the proper health of the soil through chemical manure. I understand they tried increasing the yield of tobacco in Cuba—of course that is not food—by means of chemical manures, and immediately the quality of the tobacco was found to be very much lower. They are coming to the conclusion in England and elsewhere I suppose, that we shall have to go back to the immemorial customs of China and India, where the soil has been farmed not for half a century but for a thousand years. It is done by the age-old method of returning to the soil what is taken out of it. But that by the way.

I do not wish to throw cold water on the idea, and I think there is room for a scheme of the kind which the hon. member for Moose Jaw (Mr. Ross) has put before the house. But I am wondering whether the main idea behind it is not really economic rather than chemical. Is it not the idea that by turning food or the edible products of the soil into inedible products such as rubber—which I think is pretty hard chewing—it will be possible to raise prices through overcoming the so-called abundance of agricultural products? To me, if this research station is established it would seem desirable that at the same time and perhaps in the same building there be included some really new economists, not the orthodox or even eminent economists, but some really scientific economists who will see what faults there are in the present economic system whereby, though there is a so-called overproduction of food, millions of people in the world are at the same time underfed and undernourished.

The main problem is economic rather than chemical. What we have to do is to increase the purchasing power of the people so that at least they can consume food to the limits of their desires or of our powers to produce. I do not altogether feel comfortable about the idea of turning edible products into chemical substances. I realize of course that in war time, when there is an emergency, everything must give way to the demands of war. You may say that a few million bushels of wheat would provide us with a certain quantity of rubber, but that would be only the beginning. I wonder what the development would be in a hundred years time if we pursued these lines, where the soil is put to the use of producing and supplying industry rather than human stomachs.

I am not comfortable about that and I rose simply to make these observations to the committee. I want to emphasize my belief that the main problem before agriculture, although I do not know that the minister will agree with me, is economic rather than scientific. If the farmer is provided with a really good market and satisfactory prices he can be left to find his own solution for the raising of the best food in the best possible way.

Mr. LEADER: It was not my intention to say anything on this very important subject. What I have to say could have been said on another item. But what the hon. member for Moose Jaw (Mr. Ross) has brought before

the committee, namely, the subject of agricultural research in all its phases, is of very considerable importance, and perhaps I would do well to say a few words. I had intended to say something respecting the improvement of the health and state of our pure-bred cattle in general. Possibly that is a subject which might well be discussed now.

I listened to the hon. member for Wetaskiwin (Mr. Jaques) when he spoke about Devonshire cream. That is something I had never heard of until about a month ago. However I had some of this product known as Devonshire cream at the house of an Englishman who lives just north of Winnipeg. It was made from the milk of Aberdeen Angus cows I had sold him just a few years earlier.

We have in Hull an institution known as the animal diseases research institute. Undoubtedly this branch has done some good work, but in my opinion it has not advanced as rapidly as it should have, nor has it dealt as extensively as it should have with conditions pertaining to live stock. My concern to-day is with a disease known as Bang's disease, or contagious abortion in cattle. I have had many years' experience in the cattle business, and particularly in the pure-bred branch of the business. Every breeder knows that sometimes he will run up against this menace. Not only is it a menace to cattle but it is also a menace to the health of one's own family and to people in general. It is, therefore, of the utmost importance that something be done to find a real, practical and efficient method of ascertaining the cause and finding some remedy for its eradication.

For the information of hon. members I should like to record an experience I had. Some years ago I sold a consignment of cattle, subject to test for Bang's disease. Some of those cattle reacted. Of course hon. members will understand that those cattle were not taken; they remained in my herd. I was not very much concerned about that, because they had been one hundred per cent producers each year. Some of them were nine years old and had produced as many as seven calves. The fact that the sale was cut, however, did cause me some concern, and is the concern of producers who are breeding cattle to-day. Because unless one has a certified Bang's-disease-free herd, or the herd passes the test for Bang's disease, he cannot do much business. One cannot do business either on the other side of the boundary line, or in some of the provinces in Canada. There are breeders throughout Canada who will not buy cattle unless they have passed successfully the Bang's disease test.

I wanted to do a little experimenting. For years I had been reading about the ravages of Bang's disease, and the attempts of different breeders and different governments to try to control them. I had read that in the experiment being made, blood samples had been taken from cattle, that the identical samples had been sent to several laboratories, and that the results of tests had been different in each case. I wondered just what confidence breeders could have in a test of that kind. In carrying out my experiment I asked my son, when in one year he was having our cattle tested for tuberculosis, to have a sample of blood taken from two cows which had reacted two years earlier. I took those two samples, sending one to Doctor Savage, our own animal pathologist in Winnipeg, and another to the laboratory in Hull. My purpose was to have a check, to ascertain whether the two laboratories would show the same results on the test. In regard to the test taken in Winnipeg—and it will be remembered that a test had been taken two or three years earlier—the positive finding was confirmed. The same day I sent exactly the same blood to the pathologist in Hull, Doctor E. A. Watson, and this was the reply I received:

Messrs. Harry Leader & Son,
Portage la Prairie,
Manitoba.

Dear sir,

I am in receipt of two blood samples submitted by you and wish to advise you that blood tests, for the diagnosis of Bang's disease, are conducted at this institute under the following circumstances only:

A. Cattle in herds accepted by the health of animals division, production services, as under their supervision for the control and eradication of Bang's disease; and cattle as replacements or additions to such herds.

B. Cattle selected for export from the Dominion of Canada.

C. Cattle selected for shows and exhibitions at which a blood test is a necessary requirement for their admittance.

Yours truly,
E. A. Watson,
Dominion Animal Pathologist.

I can see no reason why they could not have tested the samples in Hull. I went to a lot of trouble to send those samples by special mail delivery, so that they would reach Hull in plenty of time. However, the reply I received was that they did not have authority to test the samples. I believed they did. If the laboratory at Hull had confirmed the test in Winnipeg my confidence would have been revived. If the tests had been different, as is indicated in what I have read, then I would

have been just as anxious as I am to-day to see that we get something which would be more workable.

Breeders are becoming more and more concerned about Bang's disease. They are willing to cooperate with this or any other government in any workable plan for the protection of cattle. I do not know what the annual loss is in Canada, but it has been estimated that the annual loss in the United States from the ravages of Bang's disease is from $50,000,000 to $175,000,000. Not only that, but as I pointed out earlier the disease is a menace to public health. Many hon. members will have read of the death of Edsel Ford. It is reported that he died at Detroit from undulant fever, which is contracted through drinking milk from cows affected with Bang's disease.

I do not wish to take any more of the time of the committee. We have in this disease the worst known menace to the cattle industry. Certainly it is a subject which should be investigated, and one in connection with which we should do all the research possible. I endorse the suggestion of the hon. member for Moose Jaw (Mr. Ross) and I hope the government will apportion the greatest possible amount of money to bring knowledge to bear on the subject, in an effort to find some workable solution.

Mr. PERLEY: When the estimates were first discussed I asked under what item it might be possible for the hon. member for Moose Jaw to offer his proposal, and it was pointed out that the discussion might be had under the item for experimental farms. My interest was aroused after hearing the hon. member on March 17, and I am sure that when he rose to-day we were looking forward to a most interesting speech. I will admit there was some interest in it, and this may yet develop to be a most interesting and profitable afternoon. However, as the leader of the opposition has said, some of us were a little disappointed, because we thought the hon. member would give more details in regard to some questions connected with possible production in western Canada, and that he would outline what has been done in that part of Canada in the last two or three years. I know the hon. member has been fully alive to changes in agricultural production methods, and I believe he has been doing a considerable amount of experimental work. I rather expected, however, that we would hear from the hon. member somewhat more respecting the production of certain cereals, seeds and the like from which oil and its by-products might be produced.

[Mr. Leader.]

Perhaps he was leaving that for another occasion; perhaps he was rather modest and did not want to boast about what he is doing on his own farm, but I believe he is doing a great deal. I understand that he has nearly five hundred acres of sunflowers this year, and I wish him luck not only in raising the crop but in harvesting it; for I understand that a good deal of his farm is under water at the present time.

Early in the course of his remarks the hon. member quoted from a report showing what has been done in the United States. He also made reference to the fact that agriculture in Canada is very much diversified, so that the farmers of the east have problems different from those of the west. I thought the leader of the opposition made a pertinent remark when he said that in all parts of Canada there were farmers who would be successful if they would specialize in certain lines of agriculture best suited to their district. I know there are farmers in the west to-day who are always a little ahead of their neighbours. My dad always told me, "Boy, it doesn't matter what season of the year it is; always be a week ahead of your neighbour. Start to seed three or four days before you think it is time to seed, and probably you will have your seeding completed while the other fellow is waiting for the ground to dry after a rain." I think if some of the farmers of Ontario had taken that advice this spring they might have been better off.

Mr. MARTIN: Oh, you should have seen the fields.

Mr. PERLEY: The hon. member would not know wheat from apples, so that he need not say anything.

Mr. MARTIN: But I know wet ground when I see it.

Mr. PERLEY: I think the same thing applies at harvest time. I know farmers in the west who are always finished their harvesting about a week before their neighbours, who are hauling out their grain when the other fellow is just beginning to harvest his. So that no matter what type of farming you are carrying on it is important to be four or five days or a week ahead of your neighbour; then you will have greater success.

The hon. member went on to deal with certain cereals, seeds and so on. We in the agriculture committee are now considering many of these matters; there are interesting developments in that committee each day, and we are obtaining a great deal of useful

information. Perhaps the minister will not care to repeat some of the information that is being brought out there, but we are getting it in any event. The hon. member went on to say that he was asking for $500,000. He has not moved any amendment to the estimate, and of course we understand that he cannot do so; I think the public got the idea through the press that he could move an amendment, but we know the situation. However, he has told us that he is going to ask the minister to give consideration to his request, and I hope the minister will favourably consider the suggestions advanced by the hon. member. Perhaps during the course of this afternoon we may have a statement from the minister on that point; it would be most interesting. We should be glad to hear how the minister views the proposals advanced by the hon. member for Moose Jaw, and what he proposes to do about them.

I think hon. members will agree that we have had some good men as ministers of agriculture; Martin Burrell, Doctor Tolmie, Doctor Motherwell, Mr. Weir, and the present minister. Each in turn has tried to keep up with the times and has done much to develop agriculture in this country. If some hon. members of this house, instead of going home week-ends, would spend their Saturdays at the experimental farm here, they would obtain a great deal of useful information. Just before Easter I spent a most profitable afternoon at that farm with the hon. member for Moose Jaw. We were well received; we saw some of the experiments that were being carried on with regard to cereals, with regard to production, with regard to early maturing grain, and that sort of thing. We also went through the laboratories. I think the hon. member for Moose Jaw will agree that each of us learned a good deal on that occasion. The next morning at breakfast in the restaurant in this building I suggested to some hon. members that if they knew how many proteins and vitamins were in the bowls of porridge they were eating, they would be pleased, and I said the way to obtain that information was to go out to the experimental farm.

That was just on the side; I was endeavouring to show that all ministers of agriculture have kept abreast of the times and have done a great deal to help agriculture. The work done in developing early maturing wheat has put millions of dollars into the pockets of the farmers of the west, and more millions have been saved by the practical elimination of rust. Those are just some of the things that have been done at the experimental farm here in Ottawa.

I do not know that it is necessary to occupy more of the time of the committee. I am entirely in accord with the suggestion advanced by the hon. member, which I hope will receive the minister's approval. It may not be possible to set aside $500,000 for this purpose right now, but if part of it could be set aside the work could at least be started. I have one further suggestion to offer. I believe that at Brandon, and particularly at Indian Head, in Saskatchewan, we have two of the finest experimental farms in Canada, where excellent work is being done. I would suggest that some of the research work mentioned by the hon. member for Moose Jaw might be undertaken at the farm at Indian Head; it is near the minister's home, and in my constituency, and he is well acquainted with it. So far as soil erosion is concerned it is the best in Canada; we have all the facilities there for carrying on a great deal of the work, and I believe we should take advantage of them. I hope we may hear from the minister before we rise at six o'clock, in order to learn what he proposes to do and how he regards the suggestion advanced by the hon. member for Moose Jaw.

The CHAIRMAN: If the committee will allow me, quite a number of members rose simultaneously, so that I am going to give the list of speakers I have at the present time: the hon. member for Macdonald, the hon. member for North Battleford, the hon. member for Macleod, the hon. member for Medicine Hat, the hon. member for Lisgar.

Mr. REID: I rise to a point of order. It is something new when the Chairman can rise in committee and give the list of members who are to speak. I think it is unfair. The Chairman probably did not see all the members, but he has singled out four or five of them. I take strong exception to the Chairman of this committee showing any preference in this way.

Mr. PERLEY: There is only one of the official whips in the house—

The CHAIRMAN: I am sorry I put it in that way, but I leave it to the judgment of the committee. As the hon. member for New Westminster knows, I have no list.

Mr. REID: You read one.

The CHAIRMAN: At least ten members rose at the same time; and it will be understood how difficult it is to satisfy everyone; so I thought this would be the best way. There is no partiality as far as I am concerned; if this is not satisfactory to the committee I shall leave it as it was before.

Mr. REID: If you are going to carry on from a list you might well do so all evening.

Mr. BLACKMORE: I believe you are doing very well, Mr. Chairman; just keep right with it.

Mr. WEIR: Mr. Chairman, I should like to take advantage of this opportunity to say a few words. I am sure the committee is indebted to the hon. member for Moose Jaw (Mr. Ross) for his energy and the research he must have carried on to develop his topic. This topic is commanding wide interest throughout the country and, from the discussion that has taken place, it would seem to be commanding considerable interest in this committee. I am sure the hon. member will be gratified to know that he has finally got the leader of the opposition (Mr. Graydon) to fall in line with the idea he is promoting.

The item now being considered has to do with experimental farms. I am not concerned with, nor have I any definite point of view about the type of research institution that might be set up, but I contend that many research activities can be carried on within our experimental farm system. I think it can be said that the discussion which has taken place this afternoon has not cast any reflection upon the activities of our experimental farm system, it has simply suggested further additions to the work of our farms. Agriculture in Canada owes a great deal to the research work and scientific developments of our experimental farm system. I can remember marquis wheat and the contribution it made to the wealth and prosperity of Canada for a number of years. That was a result of the research activities of our experimental farms. There is also the work that has been done with respect to rust-resistant wheat. This has taken much of the speculation out of the growing of wheat in western Canada. These and other research activities have been of far-reaching importance to the industry.

These activities are continuing, and they should continue. Further efforts in this regard are needed, particularly with respect to other grains. I think it can be said that some success is being achieved along these lines. There is still room for the development of new varieties. All this work requires institutions of this kind. The hon. member for Portage la Prairie (Mr. Leader) raised an important point with respect to live stock. Here again our experimental farms are in a position to render a wide variety of services in connection with breeding, feeding practices and other promotional work.

The province of Manitoba is fortunate in having two experimental farms. The older farm is at Brandon, but there is another one in southern Manitoba, at Morden. This is a horticultural farm, and its activities are largely concerned with promoting the production of fruits, vegetables, trees and things of that kind. Just in passing I should like to say a word about our experimental farms in general, based upon what I have seen at the local institution in southern Manitoba. This institution is largely used by the farmers of the surrounding districts. They gather there to see what is going on. I think it can be said that this institution has done more than anything else in that part of the province to promote the growing of shelter-belts around farm homes, and it has given leadership in the production of small fruits and certain types of vegetables which would not have been undertaken otherwise. It has also done considerable work in the distribution of new varieties. Like other institutions, this one is well staffed with people who can meet the public and who give first-class service to those who go there for information.

Coming back to what the hon. member for Moose Jaw said, I think what he had in mind was to arouse public opinion to the idea that more research is necessary in the interests of agriculture. I am sure he will feel satisfied if he has been successful in arousing public opinion in that regard. If he has arrested the attention of the committee and the country, he can live in hopes of seeing something come out of the suggestion he has made. I should like to go a step farther in this connection and indicate the direction in which public opinion points. I have a statement here which I wish to read, as follows:

> No matter how gloomy the outlook, I never cut one single penny from the budget of our research department. . . . The reason for that is something that any modern industrialist knows and understands. The research of to-day is what will be keeping a soundly managed industry alive and healthy five and ten years in the future.

That statement was made by Mr. Walter P. Chrysler, one of the leading industrialists of the country. I have here an advertisement entitled, "Look up, Mr. Farmer." While I am not particularly interested in promoting the wares of the people who put out this advertisement, I think—

Mr. GRAYDON: What are their wares?

Mr. WEIR: I am not sure that I know, but I shall refer in a moment to the particular part in which I am interested. The advertisement reads:

> And from that alcohol came the rubber for the tires, the explosives in the bomb racks, the plastic for the shatterproof windshields. You

couldn't point to a square foot of those planes that isn't somehow dependent on high-proof alcohol.

Then in smaller type it states:

Alcohol for war is used in the manufacture of high explosives, synthetic rubber, drugs and medicines, photographic film, lacquers and varnishes, drawing inks, compasses and other navigation instruments, plastics, shatterproof glass and many other products. All of the Seagram plants in Canada and the United States are engaged one hundred per cent in the production of high-proof alcohol for war.

Mr. GRAYDON: Does my hon. friend intend to table the document from which he is reading?

Mr. WEIR: I shall be glad to send it over to my hon. friend.

Mr. GRAYDON: I did not ask for that, I asked if my hon. friend was going to table it.

Mr. WEIR: I can table it. I also have a publication which was put out by the Canadian chamber of commerce. The part having to do with domestic markets for farm products reads as follows:

The development of synthetic industrial products, based upon recent advances in chemical knowledge (we refer, particularly, to plastics in this connection), may create a new demand for certain crops, hitherto raised only for food; and so may reduce to some extent the size of our agricultural surpluses.

At least for some years to come, the demand for domestically produced vegetable oils may provide the Canadian farmer with worthwhile opportunities; and it is possible that some of the resulting production (that of the soy bean, for example) may find a permanent place in his programme of cultivation.

I refer to these merely to indicate the trend of public opinion. I obtained some satisfaction in looking back into *Hansard* of some years ago. At that time I made some reference to this matter, and I should like to refer to one part of my remarks. I quote from page 523 of *Hansard* of February 1 1939, as follows:

Another thing pointed out was that agriculture in this country was competing not only with the agriculture of other countries, but also with the scientists of other countries. Germany, for instance, is producing from milk casein a material that is a suitable substitute for wool. A large percentage of her clothing both ordinary and high-grade is now being produced from forest products. As illustrative of what industry can do for agriculture, I was fascinated by a statement made by Mr. Henry Ford at the chemurgic conference in 1935. He said he was using in his factory the following agricultural products: 60,000,000 pounds of cotton; 500,000 bushels of corn; 2,500,000 gallons of molasses; 3,200,000 pounds of wool; 1,500,000 square feet of leather; 350,000 pounds of mohair; and an almost unlimited supply of soya beans.

I quote that to indicate some of the activities that have been undertaken. I shall not take the time to refer to other suggestions and observations that were made at that time because reference has already been made to them, to some extent, this afternoon.

As I see the picture, there are two points of view with respect to the need for more agricultural research. First, there is the necessity of providing additional food supplies. From the other point of view there is a need for replacing certain farm products which are not now being produced in the same volume on account of the changes which mechanization has brought about in agriculture. Agriculture, like industry, has become mechanized in this country, and I do not think anyone would take the position that agriculture should not have the advantage of mechanization if it wants it. But agriculture in becoming mechanized has had three things happen to it. In the first place, it has lost what was a potential very substantial horse market. Second, it has lost a hay and oats market, which was really the power for the production of agricultural products. Third, it has increased its efficiency in production. That being so, I think we should not hesitate for a moment to utilize all our energies in developments that may be undertaken to replace what we have lost through the changes that mechanization has brought about, and if we can by scientific research develop means whereby farm products can be utilized more and more for power purposes in agriculture, it means added farm income for the agriculturists of this country, apart altogether from the food supplies that may be developed from this research work. So that I look at it from the two points of view and I say to the minister that it seems logical that encouragement should be given to developments of that kind.

We have already heard a good deal about the production of alcohol and rubber, and within the last few days we have seen some controversy develop with regard to the costs involved. Surely here is an opportunity to find out the exact position. I fear that too often we look upon wheat as the only cereal from which alcohol may be produced—and wheat of the high-grades costing eighty cents a bushel. I think it is possible to produce alcohol from other grain products than wheat which would change materially the cost picture.

One could go on and say many other things with respect to research activities that may be undertaken, but one hesitates to do so at this stage. I shall simply say, as was mentioned by one hon. member who spoke

a little earlier this afternoon, that we have had some gratifying results in the agriculture committee in finding out the methods by which some of these activities of the Department of Agriculture were being undertaken. We are finding out at the same time many of the problems of development. All that speaks well for the suggestion brought forward this afternoon by the hon. member for Moose Jaw. At present it looks to me as though public opinion will recognize the necessity for additional research activities particularly in connection with agriculture, and if that is so, I hope that the minister when he brings in his supplementary estimates, or earlier if it is possible for him to do so, will take kindly to the suggestions that have been urged upon him from all sides of the house this afternoon.

Mrs. NIELSEN: I do not think I have very much to add to what has already been said this afternoon. I only wish it had been possible for the hon. member for Moose Jaw to move his motion, because I for one would have been most ready to support it. Many letters have come to me not only from my own part of Saskatchewan but from other areas of that province in support of the idea which the hon. member for Moose Jaw has brought before the committee this afternoon. The opinion which is expressed by some of our western people is that already we are terribly late in our research activities. I know that for some months now I have been in correspondence with the agricultural research laboratory in the United States and have been receiving from them their regular bulletins. If only I had the time to read all the material they send me I would possibly be better informed, but like other hon. members I find it an impossibility to wade through all this very valuable material. I only wish that time permitted me to do it, because then I would be in a far better position to speak about these matters.

The opinion I gather from letters which come to me from Saskatchewan is that there is a fear in the minds of our people that immediately upon the cessation of war we shall find, as a result of the experimentation which has already been carried on in the United States and their valuable research activities, that the markets of this country will be flooded by all kinds of new materials which have been made from the various resources of the United States. We are a very similar country to the United States, having the same kind of land and the same kinds of products; and if only we were in a position to develop our own industries—I think more particularly of western Canada, coming from that part of the country, but without doubt it applies to eastern Canada also—we would be in a position to give employment to our people. I know the problems that confront us in the reconstruction committee in finding employment for our men when they return home, and it seems to me that here in the field of research we have one avenue which we should explore to the very limit. Only the other morning in the agriculture committee Dean Shaw was telling us that they have already started to get the farmers in one particular area to go in for the growing of milkweed. He stated definitely that it was necessary to have these farmers in just one small area where they would be close to the mill which was to be used to extract the juices from which rubber would be produced. I do not know whether Ontario is the only province where this is being done at the present time, but if this plant is as hardy as the Russians say it is—they say it will grow anywhere, in semi-arid regions and up in the far north—we in the west should have an opportunity to develop it.

After all, eastern people have an opportunity of supplying market garden products because they are adjacent to the big cities, whereas we in western Canada cannot rely to any great extent on that kind of production. If a research department were set up, possibly we should receive a more equitable distribution of these newer types of plants which are necessary to industry. The government should have been prepared a year or two ago to have set aside sums of money for this purpose. I know that in years gone by, in times of peace, when the people of western Canada were asking for money, it was the plea of this government that it did not have the money for the purposes to which our people sought to have it applied. To-day that can no longer be said. We know the government can find money for projects which are essential to the war effort, and I would say that in respect of agricultural research the country's war needs are closely connected with the peace needs which are going to come so closely after. I suggest that the minister do his very best within the cabinet to have appropriations made for agricultural research, because it promises to provide one of the most important means of keeping our men employed in the years to come.

Mr. HANSELL: I believe I can assure the hon. member for Moose Jaw of the support of this group in his presentation this afternoon and his attempt to arouse public opinion with respect to these matters. Of course it is necessary to do more; money for this purpose

must be found; and if the hon. member wants to know where to find that money, this group is able to tell him.

I support the hon. member because I am conscious that there is little Canada cannot do if she puts her mind to doing it. I do not wish anything I say to be misconstrued as a criticism of the work which has already been done by the Department of Agriculture in any branch of research, or a reflection upon the national research council as regards any work it has done. I believe these agencies of the government have done an excellent job as far as they have gone. They could do a good deal more if they had what I may term unlimited funds at their disposal.

Personally I am a little alarmed that Canada seems to be behind other nations with regard to scientific research. I do not believe that our young scientists are really given the opportunity to which they are entitled. What happens to our science graduates when they come out of universities? They look around for positions. They flock over to the United States, only because they can get jobs there with bigger pay. That to my mind is not to the credit of Canada. I wonder if the minister is aware, I wonder if the government is aware, that we have doctors of philosophy in some of the sciences working for the government for less pay than a grade three stenographer. That is a fact; it should not be, but it is. When I hear things and know things of that kind I have to ask myself, what sort of Canada are we building? Surely the government cannot escape all responsibility in this very important matter. There is no reason why we should not be one of the leading nations in scientific research, particularly as applied to agriculture. What was it which prior to the war assisted Germany so greatly in making its military preparations? The Germans, not being able to trade in the markets of the world, were forced into the field of synthetics and produced many materials in their laboratories. I believe I read somewhere that more German scientists carried off Nobel prizes than those of any other nation. I have no brief for the Germans; perhaps it was necessity which caused them to do what they did. But when have we produced any outstanding men who have carried off a number of prizes? Doctor Banting is, I realize, one outstanding figure. But we hear of the United States of America being able to do this and that; more recently we have learned of what Russia has been able to achieve in certain fields of research; where does Canada come in? It is true that we have carried off a number of international awards for wheat, but perhaps that is largely because Providence, with its sunshine and rain, has smiled upon us. It seems to me that our governments act in this regard with the dollar sign stamped on about everything they do. Surely neither this nor any other federal government can escape responsibility for enabling our gifted young men and women to make Canada a first-rate nation in the matter of scientific discovery. There is no reason why this cannot be done. Let us build a Canada worthy of Canadian civilization, a Canada which will be recognized by the world at large as producing many of the world's greatest scientists. I am absolutely certain it can be done. One thing Canada does not lack is genius; it needs only to be given opportunity.

Mr. GERSHAW: I believe that support for the drive which is being started this afternoon will grow, and grow rapidly. I believe, too, that the minister and his advisers will proceed along lines which are sound and proven and hold out hope of being successful. People, particularly in western Canada, are aroused about the possibilities of chemurgy. They hope to make the best possible use of their wheat, their oat hulls, their straw, and all their waste products. Above and beyond this they are looking for further markets for their products, without which their prosperity will not be realized. Surely, in the location of factories or in the distributing of research laboratories, the proximity of the raw product should be the great consideration. Instead of such buildings being erected nearer and nearer to the larger cities, the more remote districts should have the benefit, in these days of easy transportation, of the location and presence of these factories.

I particularly wanted to say a word under this item because I believe that the experimental stations are doing and have still to do a great work in connection with the beef cattle industry. This industry is one of importance. During 1942, 106,741 beef cattle were shipped east to the stock yards and to the feeding lots, and in addition 91,060 were shipped to the United States market. Of course, many thousands were also processed right in western Canada, and in spite of the hardships the ranchers and live stock men have been struggling to meet war demands. The stern and cold winters have developed a type of cattle that are hardy and healthy. Condemnations for tuberculosis in the west have been lower than in any other part of Canada and as low as in any other part of the world. There are still great herds of white-faced Herefords in the ranching districts, and they are of great value, as

shown by the fact that recently at a bull sale in Calgary one sire sold as high as $2,550.

That great short-grass country which has suffered so much from drought seems to be faced with another season of drought, because the reports indicate that the rainfall this year is very much below normal. Still, that area is an asset to the dominion. Countless thousands of buffalo lived on the grass of those plains in years gone by. They were ruthlessly and wastefully slaughtered by the Indians but about 1881 the real ranching industry had its start. The dominion government then adopted a policy of granting large leases for twenty-one years at the rate of about one cent an acre. Those great areas were unfenced at that time and the ranch homes were widely separated. The struggle against prowling enemies and against the forces of nature, against misfortunes of different kinds, developed men and women who have greatly enriched the traditions of ranching history. I am referring now to a class of people who are rapidly passing off the scene. Nowhere else will you find the same spirit that existed in those days. Stories of cowboys, round-ups, the dreaded stampedes, night-herders and thrilling ranch adventures are stories of the past, because the whole situation as regards the ranching industry has changed. In their day they were noted particularly for their hospitality and no stranger was ever turned away hungry from their doors. Now these large ranches are divided up; they are fenced; the cattle graze mostly on deeded rather than on leased lands, and under the present minister great community pastures have been established and pure-bred sires provided to improve the standard of stock.

The Prairie Farm Rehabilitation Act has also made it possible for the farmers to provide thousands of stock-watering reservoirs which have helped greatly in sustaining that ranching industry. There is one ranching experimental station at Manyberries which makes a scientific study of all branches of the industry, and this industry is rapidly becoming more of a science. The breeding, feeding and finishing of cattle require knowledge and care if they are to be at all successful.

At this time I wish to say a word on the need of experimenting not only on the line indicated by hon. members this afternoon but also in the way of making the best possible products that can be turned out for the markets. Although most of the beef cattle are now produced by the mixed farmer rather than by the rancher, yet in these great areas they still live out in the open. The chinook winds still come and the temperature will rise as much as 50 degrees overnight, so that the grazing areas are exposed and the feeding problem is solved. There is, however, the same determination among these people to produce the best product they can. I appeal to the minister to continue the work of the experimental farms and to nourish this great industry, which is the oldest, and all down through the ages it has been the chief industry of mankind—the tending of flocks and herds.

Mr. WINKLER: The proposal of the hon. member for Moose Jaw has been widely and, in my opinion, completely discussed this afternoon, and with great unanimity, so that in rising to support that proposal, I am hesitant about taking up the time of the committee. I shall therefore be very brief.

It seems to me that the matter can be approached from a slightly different angle, and I should like to approach it from the angle of population in the western provinces. We are all aware that there has been a considerable depletion in the man-power of our three western provinces, Saskatchewan particularly and Manitoba next, and we want some day to have these men back. To bring them back, we cannot hope to see them have the openings in agriculture which they had before, because agriculture is becoming more and more mechanized. That process has been going on through the years, and especially in recent years it has been accelerated. Then, of course, the war has taken its toll as it has in other provinces.

I would mention particularly war industries. War industries have not been given to the western provinces to any great extent. In fact, there has been a great scarcity of them, and the younger men who have not gone to the war, and the older men too, have gone into war industries in the eastern provinces, or what are called the central provinces here. It strikes me, therefore, that the best way of getting the eventual return of our population in the west is to get industry in the west. In my opinion that is geared to the proposal of the hon. member for Moose Jaw. We have to get industry, and in order to get industry we have to have research work. I believe research operations are understood at least to some extent by hon. members, some of whom have studied chemistry, others of whom have studied scientific subjects, and possibly a few of whom have done some research work. But while a knowledge of research may be fairly limited, in recent years there has been a great profusion of books on chemurgy, written in a popular manner, and widely read both by the general public and by hon. members. So that,

despite the fact that all of us do not understand the meaning of chemical formulae, the avenues of research are becoming wider and wider.

The importance of costly research work is emphasized. The day when the man in the back shop could produce some new invention has almost passed. These problems are approached by teamwork. In that regard I believe the hon. member for Macleod (Mr. Hansell) might have placed less emphasis on training in this country, because I believe university training in Canada is equal to that of any country in the world of our wealth and size. I am endeavouring to emphasize the point that it is teamwork, coupled with costly research work which is required to lay the basis of industry. We need industry badly in western Canada. Naturally we hear the question: What type of industry do we need most in the west? I would say that first of all the commodity we produce in greatest abundance, and with which we at times have our greatest problems, is wheat. There is no doubt that the uses to which wheat may be put are numerous. One hon. member has told us of the uses to which milk may be put. It is quite possible that there are just as many openings for wheat as there are for milk. Certainly that is a subject which should be thoroughly investigated.

There are other commodities which can be grown on the prairies in greater profusion. For instance, I believe potatoes will grow anywhere in the three western provinces. The natural question is, "Then, why do not western people grow more potatoes?" The answer is that there is no market for them—or at least very little market. The only market available is in the vicinity of the large centres, and it is supplied by the market gardeners. In the vicinity in which I live, removed only twelve miles from the United States border, no one grows potatoes to any appreciable extent, and there are no large potato growers in the community. But immediately across the border one sees practically nothing but potato fields, and from those fields potatoes by the thousands of carloads are shipped to the Chicago market. I believe potatoes could be grown all through the three western provinces, but until we find some other use for them, something in addition to that offered by the ordinary potato market, they will not be grown.

Flax, likewise, grows very well throughout western Canada. Then there are sections in the west where only oats will grow, and where wheat cannot be grown. Generally speaking, however, the drought areas have found that, year in and year out, in dry and moist periods, wheat is their best crop. Other crops are gradually coming in from the south, and are being grown in the prairie provinces. In recent years it has been found that two varieties of soya beans are sufficiently hardy to be grown in western Canada, and that production can be carried on profitably in southern Manitoba.

Peas grow satisfactorily in practically all parts of Manitoba and, I believe, in most sections of the other prairie provinces. Cigar tobacco can be grown successfully in southern Manitoba, and as was pointed out by another hon. member, small fruits do well in that area. Then this year for the first time we are growing considerable quantities of soya beans, rape seed and sunflower seed along the international border. The fact that these crops are grown introduces the subject of by-products derived after the process of pressing the seeds. Certainly the possibilities of those by-products should be explored, and I have no doubt experiments are being made in Ottawa. It develops, however, that most of these seeds have to be shipped in bulk form to the eastern provinces, and particularly to the Hamilton area, for purposes of extraction. This means that the pulp which remains after the pressing is left in the east, and that the product in its finished form is distributed from this part of Canada. In my opinion those by-products should be investigated, and their possibilities for development in western Canada explored.

Before taking my seat I should like to draw attention to another matter which, although not closely allied to chemistry, has been brought to my attention by a friend who lives in the United States, just across the border-line from where I live. I inquired at the Morden experimental station, and learned that certain farm bulletins had been published on the subject I have in mind. The bulletin I have before me is entitled "Farm Production of Sorgo Sirup." Sorghum is grown to some extent in the southern portions of the western provinces, and certainly it is grown at the Morden experimental station. I learned from correspondence with that station that two varieties have proven very successful, namely, early amber and black amber sorghum. These are pressed in small plants in the United States, on a community basis and as a farm process. Apparently this type of production has been done successfully, because this 1938 bulletin, No. 1791, from Washington, describes the construction of a small press costing only $788. To-day costs would vary to some extent, but the materials used are not costly, and the

press could easily be made by any mechanically-minded farmer. I should imagine that under ordinary circumstances the syrup from sorghum could be pressed and used very well indeed. I draw this matter to the attention of the minister, in the belief that a simple process of this kind might well be developed in my district, and would suggest that investigations be carried out with that in mind. May I add that I take much pleasure in supporting the proposal of the hon. member for Moose Jaw.

Mr. CLEAVER: Mr. Chairman, may I have the attention of the committee, and lend my small voice in support of the hon. member for Moose Jaw and other hon. members who have spoken in favour of voting a substantial sum of money for scientific research in agriculture. I need not remind hon. members that large industrial concerns have found that if under present day competitive methods they wish to survive, they must spend large sums of money on research. There is no option about that. Competition is so keen that any industry wishing to survive must conduct a certain amount of research. I need not remind hon. members, either, that agriculutre is the largest single industry in Canada, and I do not know of anything of a more constructive or more positive nature that this government could do than to help our farmers to be better farmers, by making available to them that scientific knowledge which will give them leadership not only in the matter of fertilizing crops and choosing the right types of crops, but in regard to every phase of the industry.

I am thinking now of one little branch of agriculture in which my riding is especially interested, namely the raising of fruits and vegetables. The problem of pest control is becoming exceedingly important, and it is expensive to cope with these pests in the production of fruits and vegetables. Therefore I should like to urge as strongly as I can that a substantial sum of money should be voted for the purpose of scientific research to assist agriculture. With the very modest sums at their disposal our experimental farms have done wonderful work, and I should like to pay a well-deserved compliment to the staffs of those farms for that work. In my opinion, however, those experimental farms are not equipped to do the type of research work that has been suggested by the hon. member for Moose Jaw. We need a central organization for that purpose, and I should like to see a central branch charged exclusively with the duty of carrying on scientific research for the benefit of agriculture alone. I should like to see that plant with the most modern equipment, and I believe the salaries paid should be sufficient to attract the brightest minds in agriculture to-day. I beg the minister not to be too modest in his request. Let us go all-out in this effort, and if we do I am quite sure we shall attract to this work some of the best minds in agriculture and science in this country.

Mr. BLACKMORE: Just about a year ago, Mr. Chairman, Doctor Charles A. A. Stine told an important gathering of chemists in the United States that since 1940 mankind had discovered new continents of matter, and indicated that to-day between ten and one hundred times as much material was available to man as had been available in 1940. Such discoveries as those to which Doctor Stine referred have resulted from appropriations similar to that which the hon. member for Moose Jaw is wisely asking the government to make. I believe the hon. member is entirely right, and I support him completely. I would support him in asking for a much greater appropriation.

There are still great discoveries to be made; we have barely scratched the surface as yet. I believe we can raise the standard of living of all men to a degree not suspected even in the nightmares of men a hundred years ago. We will do this through studies such as the hon. member for Moose Jaw envisages. We will get plenty for the world, provided we learn how to distribute it. There are many products of nature which up to the present we have not learned to use. It may seem strange, but I have often wondered, I suppose in common with nearly all farmers, whether we could not discover some use to which we might put the weeds that grow so profusely in certain parts of the country and which cost a great deal to destroy. If we could turn them into something profitable and useful, they might not be such a great disadvantage as they are now. I believe everything in nature can be made useful and beautiful if we set ourselves to it.

Mr. MacINNIS: What about the mosquito?

Mr. BLACKMORE: Yes, even the mosquito. I believe we could use to advantage all our surpluses that are not required by other peoples. At the present time we are fearful of draining our marshes, of establishing new irrigation projects and of putting too many people on the land; we are afraid we may have too much. Certainly that is not a logical attitude for us to take. Such measures as those proposed by the hon. member for Moose Jaw will help us to overcome these difficulties.

Before I resume my seat I believe I should point out once more that we shall have to

learn how to distribute these goods. If we close our eyes to that problem we shall not be worthy of the position we hold. The time has come when we must have a new scientific method of distribution by which we may enable the people of our own country to buy more of our own products. With respect to the establishment of a plant based upon discoveries resulting from activities such as those suggested by the hon. member for Moose Jaw, the very first question to be asked would be, "Well, where are we going to sell the goods and what kind of prices will we get? Will not the manufacturers of these new kinds of goods bring down the prices of similar goods being manufactured by industries already established, and will not the whole process tend to disorganize the industrial life of the country as it is constituted at the present time?" All such anxieties would disappear if we knew that our people would be enabled to consume the products that might be produced by our industries as a result of activities of this kind.

May I say in closing that I completely favour the proposal of the hon. member for Moose Jaw, and I think in advancing it he has rendered a service to the country.

Mr. GARDINER: Since it is just about six o'clock and I do not intend to go on with my estimates this evening I would ask to be permitted to place on *Hansard* a statement which I had prepared and had intended to read before the close of the discussion this afternoon, if I had been given the opportunity. It merely places on record, as briefly as possible, what has been done in regard to certain matters including dehydration, experiments with soybeans, experiments with the type of dandelion that has been brought here from Russia, and other matters in which hon. members will be interested when they come to discuss this question again. If the committee would permit me to place this statement on record, it would be in print and hon. members would have it in their possession for their consideration.

The CHAIRMAN: By unanimous consent.

Some hon. MEMBERS: Carried.

Mr. STIRLING: Does the minister propose to have it printed as an appendix, or is it to form part of his speech?

Mr. GARDINER: I should like it to go in as a statement by myself. It is as follows:

In view of the inquiries made and opinions expressed by hon. members as to the work done by the experimental farms on agricultural researches of a chemurgic nature, perhaps the following brief statement of work under way, in which marked contributions have been made to the war effort, might be of interest.

1. Fruit and vegetable preservation:

(a) Dehydration. Improved construction of dehydrators and other engineering problems; new methods of preparing material, including blanching, sulphuring, and the like, toward preserving the vitamin content and food values; new processing procedures; new methods of packing, including the gas pack to prevent oxidation and destruction of food values, and the new solid pack method which promises to save tremendously in tin and in transportation; complete study of vitamin content and retention.

(b) Frozen foods. To save tin and prevent undue wastage.

(c) Canning. To deal with present problems in tin shortage and including tin substitutes.

(d) Fruit juices work. In all these, problems continuously arise which involve more research work. For this reason the pilot plant for dehydration research is being constructed at the central experimental farm at the present time.

2. Fibre production. The mechanizing of the flax industry has made possible the enormous increase in acreage to meet war needs. This increase is from 4,000 to 47,000 acres. In 1943 the British ministry asked for 75,000 acres, which production is quite possible in Canada providing labour is available and at rates of pay comparable to the price of lime fibre and tow.

Aside from the few acres of hemp being grown at the central experimental farm no hemp is being produced in Canada. Further research is needed in an attempt to adapt Canadian-grown hemp to processing on hard fibre machinery; also if sisal supplies continue to disappear some methods of treatment of hemp fibre so that it might be used for binder twine purposes.

3. Vegetable Oils: Hon. members are fully acquainted with the objective set in the production of vegetable oils in Canada this year and the great need for these, particularly in view of the fact that south American supplies are very difficult to obtain due to shipping conditions and that the Argentine has placed certain embargoes on sunflower seed oil, and possibly others, to the United States, hence indirectly to Canada.

(a) Flax. It would appear from the estimates of the bureau of statistics that the objective of 2,495,000 acres might almost be reached, although estimates from other sources,

including the Saskatchewan wheat pool and the Winnipeg *Free Press,* claim that the bureau of statistics estimates are too high.

It is hoped that a greater use of wilt-resistant varieties and a greater use of Royal, a rust-resistant variety, may be responsible for maintaining the high yield of 1942.

Considerable research as to the use of linseed oil for purposes other than paints, varnishes, linoleums, etc., is progressing in the states and in one or two institutions in Canada. The problem receiving the most attention is the possibility of making an edible oil from linseed oil. The possibility of producing a high-class rubber substitute is also shown by limited researches. Much of this work might well be done by the Department of Agriculture.

(b) Soybeans. It would appear that the objective of 90,000 acres cannot be reached, but it is hoped that 55,000 acres will be planted. The earlier varieties created by the experimental farms are seeded almost to the limit of seed supplies, particularly the varieties Pagoda and Kabott.

(c) Sunflowers. All sunflower seed that is available has been sown in the west. Two early varieties, easily harvested, created by the experimental farms (Sunrise and Mennonite) have been sown. It would appear, however, that the seed was capable of covering only some 27,000 acres, which is only one-quarter of the objective.

(d) Rape seed. Black Argentine annual rape seed to the limit of seed grown by the experimental farms in 1942 and the amounts which could be purchased from the United States has been sown mostly in Manitoba and Saskatchewan and to a lesser extent in Ontario. This was adequate for only some 4,000 acres, whereas the objective was 2,000,000 pounds of oil which would have necessitated 10,000 acres. Researches by the plant breeders in developing pure, high-yielding, high oil content strains, continue.

(e) Various other oil-bearing plants are still in the experimental stages. These include safflower and mustard. In addition, peppermint oil situation seems to be well in hand and adequate supplies are being produced in Canada.

Again, new hybrid corns in relationship to corn oil and cornstarch are being studied and the values rank high. Starch factories in Canada have used all Canadian corn in 1942.

4. Kapok substitutes. Milkweed floss and cat-tail floss have been collected by the Department of Agriculture, mostly the science service's botany division. In the evaluation of these in contrast to kapok the research council has done the work, the Department of Agriculture having no facilities therefor.

5. Rubber-bearing plants. Thanks to the excellent groundwork of the botany division of the science service, the rubber-bearing qualities of Canadian weeds and plants have been studied for several years. This division also was the first to introduce into Canada the Russian dandelion (taraxacum kok-saghyz).

The Department of Agriculture is covering the experimental and research work in production and evaluation of the dandelion and the native milkweed, while the national research council is studying the industrial use of the rubber produced from these plants.

Experimental farms across Canada have plots of Russian dandelion—seven of the farms having five acres or more 1943 planting.

Commercial studies as to yields, harvesting, and general economy, mechanizing of seed collection and root harvesting, cultural and fertility studies and physiological studies are being conducted.

Milkweed in like manner is being studied in plots on experimental farms across Canada. At the central experimental farm ten acres are planted and are being studied as to mechanizing of pod harvesting for kapok substitute, harvesting of leaves for rubber, etc. In addition the Department of Munitions and Supply have requested that all seed available be planted this year in order that in 1944 milkweed rubber gum up to the maximum amount may be available for blending with buna-S. In consequence with financial assistance from munitions and supply, the Department of Agriculture, with the cooperation of the Ontario department of agriculture, is planting 600 acres.

If the product from the 1943 experiments is as useful as now promised, from laboratory studies conducted by the national research council there may be a demand for 15,000 acres in 1944.

6. Wheat vitamin studies. The cereal division is intensively studying milling methods in order to retain vitamin content of flour in contrast to the British and American methods of re-enforcing white patent flours with chemical vitamins, particularly vitamin B1 as thiamin chloride. Marked success has been achieved to date.

7. Industrial chemurgy not being undertaken: (1) Plastics. No investigational work is being conducted of any consequence as to new plastics which might be made from

grains such as soybeans, corn, flax, and others. It is well known that plastics from by-products of sunflower seeds and other materials might be made of great value to war industry and peacetime industry.

(2) Power alcohol from cereals. No laboratory or pilot plant work is being conducted along these lines. A subcommittee of the national chemurgic committee set up under the Canadian chambers of commerce has had this matter under advisement for three years and a special subcommittee under the chairmanship of Doctor Speakman of the Ontario research foundation, brought in a report in 1941, carefully compiling all available information and based thereon economic calculations with different processes, for example:

(a) European process—a million-dollar plant would absorb 1,800,000 bushels of wheat annually. With wheat at 60 cents, the resulting power alcohol would cost 39·6 cents at the distillery.

(b) American practice—a three-million dollar plant would absorb 1,900,000 bushels of wheat, and with wheat at 60 cents, the resulting power alcohol would cost 53·4 cents at the distillery.

The Department of Agriculture, which has representatives on this committee, has also kept in touch with authorities such as N. M. Rosten, an experienced chemist and distiller now in Canada and formerly from central Europe, who claims the general economic advisability of establishing power alcohol plants to take care of low-grade cereals under war and peace time. This committee has also followed the United States senate subcommittee on agriculture's findings in reference to alcohol from cereals and the possibility of its use in rubber production.

(3) Synthetic rubber from cereals. No pilot plant has been established nor is work being done in Canada along this line. It would appear that Mr. Howe has covered this point satisfactorily in his statement to the House of Commons on Wednesday, June 16. What the future may hold as to the price of rubber in relationship to imported supplies and the long-time sources of petroleum in relationship to annual crops which may be grown for the production of power alcohol and rubber, are matters which time no doubt will solve.

The national research council has recently made a careful review of literature and are doing certain biological researches as to a simpler and more rapid method of bacterial fermentation of cereals toward a more economical production of butadiene from cereals.

Mr. NICHOLSON: The hon. member for Rosetown-Biggar wanted to ask a question about the scale of wages paid at the experimental farm at Indian Head. It was his information that for seasonal work men were getting twenty-seven cents an hour plus the cost-of-living bonus. Has any consideration been given to increasing those wages?

Mr. GARDINER: Consideration has been given every year to the possibility of doing that. We have made a number of increases during the last five years, but the principal difficulty has been that the farm is employing men in competition with farmers and others in the district. At Indian Head we try to come as closely as we can to the going wages in the area for similar work.

Mr. CASTLEDEN: Since I wish to say a few words, Mr. Chairman, would you call it six o'clock?

The CHAIRMAN: Before I call it six o'clock I should like to make a brief statement. Earlier this afternoon I presented a list of speakers to the committee and a point of order was raised by the hon. member for New Westminster (Mr. Reid). I know this was a precedent, but I would not be afraid of creating a precedent if it were accepted unanimously by the committee. As chairman I want to remain within the rules. I make this statement because so far I have had no difficulty when one or more members rise simultaneously to speak. The hon. member for New Westminster was right in raising the point of order, and I shall give no more lists of speakers. I call upon hon. members to bear with me if I do not seem to see them just as soon as they would like me to.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

Direct payments to veterans and dependents.

205. To provide hereby, notwithstanding anything contained in the Consolidated Revenue and Audit Act or in any other statute or law, for the payment out of the consolidated revenue fund of compassionate allowances awarded by the Canadian pension commission to widows of persons who served in the naval, military or air forces of Canada during the war, 1914-1918, who are in necessitous circumstances, at such rates, not exceeding, however, $240 per annum (or $300 per annum in certain exceptional circumstances to be prescribed by the governor in

council), and in such circumstances and upon such terms as may be prescribed by the governor in council, $400,000.

Hon. IAN A. MACKENZIE (Minister of Pensions and National Health): Mr. Chairman, may I say by way of explanation that since this item appeared in the estimates I have had many representations from ex-service organizations asking me to change the suggested administration from the Canadian pension commission to the war veterans' allowance board, and I am going to ask my colleague to move an amendment accordingly, the only effect of which will be to substitute the war veterans' allowance board for the Canadian pension commission.

Mr. MULOCK: I move, Mr. Chairman, that the item be amended accordingly, to read as follows:

205. To provide hereby, notwithstanding anything contained in the Consolidated Revenue and Audit Act or in any other statute or law, for the payment out of the consolidated revenue fund, of compassionate allowances awarded by the war veterans' allowance board to widows of persons who served in the naval, military or air forces of Canada during the war, 1914-1918, who are in necessitous circumstances at such rates not exceeding however $240 per annum (except in such exceptional cases as the war veterans' allowance board may deem it proper to increase the amount to $300 per annum), and in such circumstances and upon such terms as may be prescribed by the governor in council.

Mr. GREEN: Will the minister explain the terms under which this grant is to be administered?

Mr. MACKENZIE (Vancouver Centre): I shall be very glad to. But first of all I should like to give a brief historical review of the last two years. As hon. members are all aware, the Canadian soldiers' non-pensioned widows' association has been making representations for several years in favour of some pension or allowance for the widows of soldiers who have died since the war, leaving destitute families. A delegation from this association appeared before a committee of this house in 1941 and made very fine representations to the committee, impressing, I think, everyone there. That was on April 3, 1941.

The Canadian Legion made a recommendation on this subject to the same committee on March 28, 1941, and a petition signed by seventy-six members of parliament of all parties in the house was presented to the Prime Minister in regard to this problem.

As hon. members are aware, resolutions have been adopted in connection with this subject by cities, municipal councils, women's institutes and many other types of organizations. The number of these resolutions is very large indeed. I need not elaborate on the various

[The Chairman.]

arguments put forward by the widows' association when they appeared before the committee, because they are well known to all.

The recommendation made by the Canadian Legion to the House of Commons special committee on March 28, 1941, read as follows:

That pending introduction by the government of adequate social legislation, which should include widows and their dependents among its beneficiaries, provision be made by an amendment to the War Veterans' Allowance Act to grant an allowance of $20 per month to:

1. The indigent widow of a pensioner who is not otherwise provided for;

2. The indigent widow of a recipient of war veterans' allowance;

3. The indigent widow of an ex-service man who served in a theatre of actual war.

Providing they have reached the age of 55 or are physically unable to earn a livelihood.

We further recommend that widows in the above classes under the age of 55 years with children to support and not otherwise provided for, receive $40 a month until the children have reached the age of 18.

In May 1942, the dominion convention of the Canadian Legion at Winnipeg adopted a resolution urging a "compassionate allowance" for veterans' widows when they are in necessitous circumstances on the same basis as is provided for widows of men dying on service in the present war under section 11(3) of the Pension Act.

The wording of the petition signed by seventy-six members of parliament of all parties urged:

Such amendments to the Pension Act as will ensure that all widows of deceased veterans of the great war (1914-18) who are now in necessitous circumstances be pensioned in an amount sufficient to provide the reasonable necessities of life.

The special committee on the Pension Act and the War Veterans' Allowance Act in 1941 in its report to the house made the following recommendation:

Consideration should be given to the advisability of extending the provisions of the War Veterans' Allowance Act to:

(a) Widows of disability pensioners not now provided for.

(b) Widows of deceased recipients of war veterans' allowance.

It was finally decided that the basic principles involved in the War Veterans' Allowance Act should be adopted as the basis for the proposed allowances.

The War Veterans' Allowance Act applies to members of the forces who served in a theatre of actual war or who were pensioned with respect to their services in the last war. The widows eligible will be those whose husbands' service records can be thus described.

In the case of the War Veterans' Allowance Act, the allowances can be paid when a veteran has reached the age of sixty years, is permanently unemployable, or is incapacitated my mental or physical infirmity from maintaining himself. These conditions will be applied to the widow herself, but the age mentioned will be fifty-five instead of sixty.

Under the War Veterans' Allowance Act, the maximum allowance for an unmarried veteran or widower is $240 a year, with the proviso that only so much of the maximum allowance shall be paid as will bring his total income from all sources to $365 a year. Under the supplementary amendment, however, where there is no other income the allowance may be raised to $300 a year.

These conditions will also apply to the widows' allowances, so that the widow is treated on a parity with the aged or incapacitated veteran.

It was at first intended that administration should be in the hands of the Canadian pension commission. The work of the commission is increasing so rapidly however, due to the casualties of the present war that upon consideration it has been decided to ask the war veterans' allowance board to administer this regulation. The fact that the regulations are similar to those of the War Veterans' Allowance Act means that the board and its staff will have a great deal of experience to guide them in the administration.

Mr. GREEN: Mr. Chairman, this is one of those votes over which there will be no dispute in the house. I am sure that all members of the committee will approve this vote. Many of us, of course, feel that it comes very late. Members on all sides of the house, particularly those who served in the last war, have been pressing for years that some such provision be made for the widows of their comrades who served in that war, so that it is gratifying that now Canada is to give these widows some assistance. But there are several weaknesses which I wish to point out in connection with these provisions that are being made; for example, in the terms under which the widows will become eligible, also the amounts that they are to be paid, and I should like the members of the committee to give careful consideration to these suggestions. I am hopeful that the minister will see fit to make some changes and will not stand firmly on the plan as it has just been announced by him.

In the first place, I think it is a great mistake to make provision for paying money to the widows of these veterans by means of an estimate, because that means that there is no statutory protection for them. It means that each year a vote will have to be brought in, and there is no assurance that the vote will be brought in each year, no assurance that they will continue to get this assistance. So that I suggest to the minister that either a new act be brought in or an amendment be made to the War Veterans' Allowance Act. That was the intention of the special committee on the Pension Act and the War Veterans' Allowance Act which met in 1941. If the minister will refer to paragraph 10 of the recommendations of that committee, he will find that it reads as follows:

> That after further and more complete exploration of the problems involved, consideration be given to the advisability—

And these are the words I wish to emphasize:

> —of extending the provisions of the War Veterans' Allowance Act. . . .

The paragraph goes on to point out the classes of widows for whose benefit the act should be extended. I ask the minister why that recommendation has not been followed, why it is that, instead of considering an act which would become part of the law of the land, we are merely considering a vote. There may be some good reason for provision being made in that way, but on its face it seems the wrong way to go about the business.

My next suggestion to the minister is that there should be some provision for making the payments retroactive, at least as far back as the date when it was announced that this allowance would be paid. I believe the first announcement was made by the minister in this house on February 4, by way of an interjection in a speech being made at the time by the hon. member for Trinity. The minister will correct me if I am wrong.

Mr. MACKENZIE (Vancouver Centre): That is right.

Mr. GREEN: That is the first announcement of which I can find a record. The same day the minister made a statement to the press which gave further particulars. So that ever since that time these widows have been expecting that they were to get these payments; and I suggest that when the order in council is drawn up there should be provision for making the payments retroactive. I take it that the order in council has not yet been drawn?

Mr. MACKENZIE (Vancouver Centre): That is right.

Mr. GREEN: Can the minister give us the draft order in council or a more detailed summary of its terms? Perhaps he will do so later in the evening.

The third suggestion I make to-night is that the amount should not be $20 a month with provision for payment of a further $5 where the widow has no income, but that it should be at least $1 a day. I am convinced that that should be the lowest amount we pay to recipients of the war veterans' allowance; that is, to the men. I think the same is true of the old age pension. This business of paying twenty or even twenty-five dollars a month under present conditions is not right. People cannot live on that amount of money at the present time. It is out of date, and it is out of line with the scale of payments made in any other part of the British commonwealth and in the United States. I suggest that Canada should pay at least $1 a day, not only to the widows for whom provision is made in the vote, but also to recipients of the war veterans' allowance and to old age pensioners.

Another necessary change is that there should be the right to make some casual earnings, or in other words, the right to earn more than now allowed before the earnings cut down the amount of the allowance. The existing rule has caused a great deal of difficulty with recipients of the war veterans' allowance since the present war. Most of these men could go out and earn small amounts, but they are in this danger, that the money they earn over what would bring them a total, with allowance of $365 a year, causes their war veterans' allowance to be cut down by the amount they earn over $125 a year. This has caused a great deal of discontent, and I think in many cases the restriction has proved unwise.

Mr. MACKENZIE (Vancouver Centre): May I interrupt my hon. friend in order to help on the discussion? Casual earnings to the amount of $125 can be added to the permissive income of $365 for widows, just as they are permitted to recipients of the veterans' allowance.

Mr. GREEN: No; but the point I wish to make is that the men can earn only an additional $125 over the payment of $240, which makes a total for the year of $365.

Mr. MACKENZIE (Vancouver Centre): The further $125 is added to the $365 of the permissive income.

Mr. GREEN: Now they can make $490 a year; is that right?

Mr. MACKENZIE (Vancouver Centre): That is right.

[Mr. Green.]

Mr. GREEN: That is possible now? In other words, the recipient of a war veterans' allowance can earn $250 in addition to $240 allowance?

Mr. MACKENZIE (Vancouver Centre): Provided that the $125 can be deemed to be casual earnings and not fixed income—just casual earnings.

Mr. GREEN: What is the definition of "casual earnings"?

Mr. MACKENZIE (Vancouver Centre): I do not think there is any specific definition. It was referred to the 1941 committee. For instance, doing odd jobs like gardening. It is not to be permanent work at all. Casual earnings are considered to be small amounts earned by odd jobs for different employers, not steady, regular or even small wages from one employer.

Mr. GREEN: What that really means is that in addition to the $365 a year of income and war veterans' allowance, the recipient can earn casual earnings up to a further sum of $125?

Mr. MACKENZIE (Vancouver Centre): That is correct.

Mr. GREEN: That improves the situation a great deal. Will the same provision apply in the case of these widows?

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. GREEN: The vote does not read that way; it reads as though the maximum a widow can get is $300.

Mr. MACKENZIE (Vancouver Centre): That is income; but casual earnings are not classified as income. Casual earnings are an addition to the permissive income of $365.

Mr. GREEN: The widow, then, can get $490?

Mr. MACKENZIE (Vancouver Centre): That is correct.

Mr. GREEN: Just the same as a veteran can?

Mr. MACKENZIE (Vancouver Centre): That is correct.

Mr. GREEN: Another suggestion is that provision be made to give these widows free medical treatment on the same basis as treatment is now given to recipients of the war veterans' allowance who would not be entitled to it by reason of wounds or disability suffered overseas. That would help a great deal, and

I would ask the minister to let us know whether it is possible for some such provision to be made.

I would also suggest that this vote be extended to cover Canadians who served in the imperial forces, and imperials who were domiciled in Canada on or before September 1, 1930, which was the date on which the War Veterans' Allowance Act first came into effect. As the vote now reads, it covers only the widows of those who served in the naval, military or air forces of Canada during the last war. As the minister knows, the War Veterans' Allowance Act itself is much wider than that because it covers any person who was domiciled in Canada before the great war, whether he served in the Canadian or the British army or in any one of the allied armies, and it is only fair that provision should be made for the widows of these men.

Year after year some of us have tried to have the war veterans' allowance extended to cover imperials, those men who served with the British forces in the last war and came to Canada after the war. We have never been able to make headway with that request, but the time has now come when the imperials in Canada should be covered under the War Veterans' Allowance Act, and a good way to start it would be by protecting their widows under the present vote.

I had intended to suggest that the administration of this vote be left with the war veterans' allowance board, and I am glad that the minister has seen fit to make that change. This board has always had the confidence of the members of the house to a marked degree, perhaps largely because of the former chairman, Mr. Walter S. Woods, who is sitting before the minister to-night, and I am sure the board will administer this new vote in the same efficient way that they have administered the War Veterans' Allowance Act.

In conclusion, I repeat that it is of the utmost importance that this assistance be put into legislation and made a statute of Canada, so that it will stand no matter what happens here. Governments come and governments go; members of parliament come and members of parliament go; but if this is in the form of a statute there is far more chance of these widows receiving an allowance without any question, and without any difficulties, than if we leave it in the present position of the house having to vote a special item each year.

Mr. COLDWELL: The minister said that casual earnings up to $125 will be allowed; but he went on to say, in the rough and ready definition he gave, that these must be casual earnings, as the name implies, and not earnings from any one employer. I was thinking of the widow of a veteran who is cleaning a country school and getting $10 a month for ten months of the year. That is $100. She is employed by one employer throughout the year. Would she be debarred?

Mr MACKENZIE (Vancouver Centre): I fear so.

Mr. COLDWELL: That does not seem to be fair.

Mr. MACKENZIE (Vancouver Centre): It would be counted as income, the earnings from that source being steady.

Mr. COLDWELL: I do not think that is fair, because another woman may be earning $125 for the year from a number of persons, scrubbing or cleaning or helping around the home in some way, and while her earnings may not be steady in the sense that she does not receive them from one employer, nevertheless she may have a number of clients, if you like, who employ her fairly regularly and in that manner she is in receipt of casual earnings which none the less are almost as assured an income as the woman who cleans a school receives. I am thinking of a particular woman when I refer to the cleaning of schools. I agree with the hon. member for Vancouver South (Mr. Green) that the improvement suggested by the minister is the very minimum of what should be done. I think the minister feels that himself in all probability.

Look around the world and see what is being done. Only this morning I received from New Zealand a summary of their new budget, and it is interesting to look at the improvements they have made at the present time, in the midst of the strain of war. They have improved their old age pensions legislation, the amount being now thirty-two shillings and sixpence a week, and they have made improvements in their veterans' allowance legislation, in their children's allowance, mothers' allowances and so on. When we consider all that, it certainly does put this very rich country to shame, because Canada with its resources is much richer than New Zealand. I wish the minister would give a different definition of the word "casual" in this connection. I am sure there are other members who know of widows of veterans in small towns or in the country who are doing the kind of job I have indicated, cleaning a church or a school and getting five, six, seven or ten dollars a month. They receive it steadily and therefore under this definition they are debarred. Before this is finally settled I hope that the minister will give

further consideration to the definition of "casual", so that people in that position may not be cut off from this very small pension which the government provides.

Mr. GREEN: Is it not a fact that in almost every case the widow of the veteran would be on a steady job earning a small amount of money? She would not be going from one job to another, so that casual earnings, based upon the principle of the widow taking different jobs all the time, will not help at all.

Mr. MACKENZIE (Vancouver Centre): In the case of women it is largely casual. In reply to the hon. member for Rosetown-Biggar (Mr. Coldwell), I would remind him that last year when the supplementary allowances were granted to recipients of veteran's allowance, "casual earnings" were stricken out. We were able to overcome that, however, by amendments passed during the Easter recess, and this is of considerable advantage. We are getting over the hard statutory provision of permissive income and supplementing it by $125 as a maximum, and I think it is a fairly good beginning. The essential point is that we cannot go farther. This is a provision ancillary to the Veterans' Allowance Act. My hon. friend said that this is an estimate. It is the intention to try this out to discover flaws and weaknesses in the administration, and then introduce legislation to implement it in statutory form. When I first intended to introduce it I was going to do so by order in council. However, I was informed by the Department of Justice that it would not be the proper way to do it. The proper way would be to put an item in the estimates, and that is why this was done. It will be the intention to discover any weakness there may be in the administration of the provisions, and to introduce an amendment to the War Veterans' Allowance Act.

Mr. GREEN: What about a widow with children?

The CHAIRMAN: I believe the hon. member for New Westminster has the floor.

Mr. REID: I think the country generally will receive this legislation with a good deal of satisfaction. Following the remarks of the hon. member for Rosetown-Biggar, I would say that the expression "casual occupation" is one which has caused considerable concern in several parts of Canada. It has to be interpreted in its widest sense. I have had cases drawn to my attention, respecting men who have gone to do some fishing to produce salmon for export to Great Britain. Their earnings would probably reach $165, and they would be cut off the war veterans' allowance. It was some time before the war veterans' allowance was adjusted.

I join with the hon. member for Rosetown-Biggar in asking that the casual earnings clause be widened considerably, and that a little more latitude be allowed, especially at a time when labour is in great demand. I would ask that the line be not drawn too strictly in connection with those who desire to work, and to help out during this time of crisis.

Mr. KNOWLES: Reference has already been made to the interest of hon. members in this item. As one who has come from the outside recently, I may say that I am particularly conscious of the interest not only of the women affected in the part of the country from which I come, but of the general public. Despite the fact that we are not satisfied with the amount proposed, there will be general satisfaction that at last some move in this direction is being taken. In view of the fact that there is nothing we can do in committee to raise the amount—although that is what some of us would like to do—I shall not take time to discuss that point.

There are, however, one or two other points concerning which some remarks have already been made, upon which I should like to comment. First of all, I would support the suggestion of the hon. member for Vancouver South that the effective date of the payment of this allowance should be made as far back as possible. The hon. member suggested that it go back to the date the proposal was first announced in the house. I earnestly hope that may be possible. If there are legal reasons why it cannot go back beyond the beginning of the present fiscal year, I should certainly hope that when the minister draws up the regulations—or whoever draws them up—that April 1 might be the date, if indeed it cannot go farther back than that.

I understand the way these things work sometimes is that after the item is passed, the order in council and the regulations are drawn up, and that it is possible that the effective date might be some day next week, after the item is passed. It seems to me that would be most unfair to these women who would lose a month or two through no fault of their own, but simply because we in the House of Commons have taken this length of time to get around to dealing with this item. Surely it is not their fault, and they should not be penalized to the extent of a month or two by virtue of this fact.

The item as it appears in the estimates is an amount of $400,000 for the fiscal year. I assume that amount was calculated with a view as to how much it would take to cover the cases of which the department is aware, and that it was calculated on the basis of a full year of twelve months. I earnestly hope the minister will see to it that the effective date is taken back at least to April 1, and preferably to the date suggested by the hon. member for Vancouver South.

Mr. MACKENZIE (Vancouver Centre): Before the hon. member proceeds to his next point may I say a word on this one, namely, that in connection with making this provision retroactive I doubt very much if I have the authority, or if the government has the authority to do so. I rather fear the effective date will be when the vote passes this committee—to-night I hope. That is why I introduced it as the first item in my estimates. The regulations were drafted to read from the date of application. The regulations will be announced next Monday, and applications will be invited at once. If possible, I should like to see it made retroactive to April 1, but I doubt if it can be done.

Mr. KNOWLES: I call the minister's attention to the fact that the amount we are voting is for the entire fiscal year, and that as a matter of fact two-sixths of the amount has already been voted. The minister knows I tried to get him to do something on the basis of that some time ago.

Mr. MACKENZIE (Vancouver Centre): I did look into that feature of it, because I thought I might be able to act upon this item, once one-sixth was voted. I was informed that because there was a change in the item, not of destination but of construction, I could not act upon that.

Mr. GRAYDON: The only difficulty with respect to the retroactivity of the provision lies in the fact that it is brought in by way of an item in the estimates rather than by legislation. That is the minister's real difficulty as far as retroactivity is concerned. Had he brought it in by way of a statute, as was suggested by the hon. member for Vancouver South, he could have made the statute retroactive, and this would have surmounted his legal difficulty.

Mr. MACKENZIE (Vancouver Centre): If I had brought it in as a statute, judging from the progress we are making it would not be passed for many months.

Mr. GRAYDON: It would not make a great difference, because in that instance the minister could make provision for back pay. In this instance not only will there be delay, but widows may be suffering at the same time.

Mr. KNOWLES: I think the minister is aware of the fact that all hon. members feel it would be unfair to these women if they were to be penalized by reason of our delay. I certainly hope the minister will do his best to find ways and means whereby the amount we are voting will be for the full year, dated from April 1.

Mr. MACKENZIE (Vancouver Centre): I might also point out that when the Veterans' Allowance Act was introduced in 1930, and subsequent amendments were made no retroactive provisions were inserted in any of those amendments.

Mr. KNOWLES: Another point I have in mind relates to the expression "in necessitous circumstances", which appears in the item, and which suggests that considerable significance will attach to the orders in council and the regulations which may be drawn up for the administration of this allowance. One shudders at the way in which the expression "necessitous circumstances" can sometimes be applied. Sometimes it means a rigorous means test which works a hardship unnecessarily. I am sorry the provisions are not contained in some sort of act, so that we could deal with them here. It will be in the power of the minister to suggest regulations and to define "necessitous circumstances". That being so, I hope he will bear out the reputation he has in some quarters for being kind-hearted, and that he will go as far as he can in realizing that these women ought to be entitled to the full amount being provided for them. I hope he will be very humane when he comes to draft the regulations on that point.

May I say a word or two about the matter of these two sums of $125 of extra income which are allowed. The minister refers to $125 of permissive income, which is characterized as some sort of steady income. Then he says that in addition the recipient of an allowance under this legislation may have another $125 of casual income. As has been pointed out already by previous speakers, one sees immediately how unfair this can be in some cases. On the one hand, a recipient may earn a total of $250 in addition to her allowance; and, because it is casual, because it comes from two or three sources, she is entitled to it. On the other hand, another woman may earn the same amount; but because she receives it from one source, it would be regarded as a steady income, and as a result she would be

penalized. The minister has stated already that we must realize that this is to be ancillary to the War Veterans' Allowance Act. I suggest that this simply increases the strength of the case which many hon. members have been presenting for amendments to the War Veterans' Allowance Act.

Just a few days ago I had a case brought to my attention from the city of Winnipeg, similar to the cases which have been mentioned to-night. This was the case of a recipient of the war veterans' allowance who noted that there was a shortage of man-power and that everyone was asked to pitch in and do his bit in this time of emergency. He answered an advertisement and accepted part-time work as an elevator operator. While he was working his expenses were higher than while not working. In due course it proved to be too much of a strain on his health, and he had to quit the job. Then, lo and behold, he discovered that while he had been working, and spending most of what he was making because of the additional expenses, including extra medical care, he had earned more than he was allowed to receive under the War Veterans' Allowance Act in a twelve month period, so that his allowance was discontinued and he was notified that application for reinstatement would be considered at some future date, I believe in December of this year. Naturally he wonders what he is supposed to do between now and December, and rightly feels that he has been wronged. I quite understand how the act works; I quite appreciate that we must have regulations; but in the human situations that develop one sees the wrongs that can be created in this way. I am simply suggesting to the minister that all the injustices which existed under the War Veterans' Allowance Act in regard to veterans, and which in themselves needed correction, will be doubled when we bring these widows under the same provisions. Therefore I hope the minister will consider bringing down amendments to the War Veterans' Allowance Act this year to take care of these conditions both with respect to the veterans and to the widows, for whom we are now providing some consideration.

The other matter about which I should like to have said a word also has been covered this evening. I hope this provision will become part of the law of this country and that, when it does, the amount will be increased. I was glad to hear the minister say that after a trial period it is his intention to see what can be done by way of legislative enactment. When that time comes—and I hope it will be soon—I trust he will recommend both for the war veterans and for these widows an amount greater than this $20 a month. It has been pointed out already how hopeless it is for these people to try to live on $20 a month. That has been the situation with our old age pensioners and our war veterans from the time these acts were brought in. Now that we have in some cases the paying of a cost of living bonus, with recognition of the fact that as the cost of living goes up people should be given something extra in order to meet that cost, the whole country has realized that it is unfair to ask a group of our people, such as the old age pensioners and these war veterans, who never should have been asked to live on $20 a month, to continue to live on that small amount. I hope, therefore, that when the minister brings in an act to cover these women and makes the necessary changes with respect to the veterans, he will realize the force of these arguments and this opinion throughout the country and will see to it that the amounts are much greater than we are providing at the present time.

Mr. QUELCH: We in this group are very glad to see that at last recognition has been given to the claim of the widows of the veterans of the last war. I recall that when the pensions committee, I think two years ago, recommended that an allowance be given these widows, the minister or the board took the stand that this could be dealt with only through social legislation, so that I am glad to see that the position has been reconsidered.

I have always felt that if we considered $480 as the right amount to pay a man and his wife under the War Veterans' Allowance Act, then when either the husband or the wife dies, the amount paid to the widow or widower should be more than half that total, because certainly it costs one more than half the amount it costs two to live. There is still the rent of the house to be kept up, for example, and matters of that kind. I realize that this cannot be dealt with at the present time, but I am hoping that when an amendment to the War Veterans' Allowance Act is brought in, consideration will be given to increasing the amount paid to the single member of the family remaining.

I am still not clear as to when the total amount of $490 can be accepted as income. We have $125 as casual income, $125 as regular income, and an allowance of $240. How about a widow living on a small farm. Is anything deducted as rent for the house? I have known the case of a soldier, living on a farm, who had a certain amount deducted as rent for the building. I have known of other cases in

which certain amounts have been deducted for stock, though the income from that stock might be much less than $250.

Mr. MACKENZIE (Vancouver Centre): Are these people recipients of war veterans' allowance?

Mr. QUELCH: Yes, and I understand the same legislation will cover payments to the widow. Could the minister explain what would be the position of the widow of a soldier living on a very small farm, we will say, where the income is negligible. Perhaps she has to hire all the labour that is required to operate that farm, and by the time she has paid for the labour and paid her taxes, in all probability the revenue will be considerably below $250. Will she still receive the full amount of $240.

Mr. MACKENZIE (Vancouver Centre): My information is that from the particulars given me by my hon. friend, in that case the widow would be entitled to the maximum allowance available.

Mr. McIVOR: Before I offer any suggestions I wish to say that any cases I have brought before the minister or the board have been considered thoroughly and with kindness. But when I have a case that I think is worthy and they do not agree, then I think there should be some changes. I should like to see some leeway given with regard to imperial veterans, and the case I have in mind is that of a young Scotsman who was wounded three times and gassed. He then went through the university and entered his profession. He came to Fort William and was taken ill with lung trouble. I am not a doctor, but I do not think any man can be gassed without his lungs being affected in the future. I took this case up with the pension board and I was advised to go to the British minister. I did so, and I failed in my application. This man has been in a sanatorium for nearly three years and has not received a five-cent piece from the British government.

My suggestion is that the time in which a pensioner must be domiciled in the country should be shortened. My second suggestion is that the pension board should state what this man should receive, and the British government should pay it. Our pension board knows the man's needs better than those who are accustomed to old country ways. I suggest that these imperial veterans who fought in the last war side by side with Canadians should receive more consideration.

Mr. ADAMSON: This is the culmination of a struggle lasting many years to rectify a very serious wrong. I realize that it is small recompense indeed, but I accept it in the light that half a loaf is better than no bread. I suggest to the minister that the present situation could have been avoided had we had an insurance scheme similar to the armed services insurance provision at present in force in the United States. I bring this up at the present time in an effort to show what is likely to happen after hostilities have ceased. Had we had an insurance scheme there would be no question about subsidiary income. There would be no question, as there is under the present regulations, of a means test in connection with extra earnings. These widows of soldiers of the last war are in a better position than they have been, but they must still prove that they are in almost dire penury before they receive any recompense. I suggest that we remember what has gone before and see to it that after this war we do not make the same mistake, and have another group of dependent women who may be up in years and suffering because their breadwinners have died, chiefly from causes attributable to the war. With proper insurance legislation every dependent of those who serve in this war would be secure for the future.

Mr. GRAYDON: Mr. Chairman, I rise in order to identify the Progressive Conservative party with the remarks which have been made by those colleagues of mine who have spoken in connection with this matter. This particular item in the estimates of the Department of Pensions and National Health has to do with problems of rehabilitation of the veterans of the last war and, as the hon. member for York West (Mr. Adamson) has just suggested, of this war as well. There have been few cases in Canadian public affairs where such pressure has had to be exerted by an organization and others through the years as has been the case in connection with the movement which has finally reached this stage in its development. In many cases such as this a government seems to make a token move—the minister will probably object to my saying that this is a token—to the people involved, but still this is a move in the right direction so far as assisting these women to whom Canada owes so much is concerned.

I repeat the regrets which have been expressed already that the government has not seen fit to bring this about by means of a statute rather than by an experimental estimate. I need not repeat what I said a few moments ago, but there are great difficulties in connection with giving this relief in the way it is being done. With a statute, retroactivity would be possible immediately. The minister has received the opinion of the justice

department and he finds that the question of retroactivity hangs in the balance. I take it from his remarks that he is not very hopeful of the matter being decided in favour of the widows. This is a step in the direction in which many of us have asked the government to move in the past. I suggest that in the time which will elapse between now and next session the minister give careful consideration to the matter of which he spoke a few moments ago and endeavour to incorporate, not only this token movement but a comprehensive and all-embracing scheme into a statute. Then these women to whom we owe so much will be able to feel grateful to this parliament and to this government for making these so-called concessions. I do not, however, regard them as concessions; they are actually overdue rights. Because they fall into the category of overdue rights, an obligation rests upon the government to a greater extent than it otherwise would. We have at least our toe in the door, and I hope the door will finally be opened for those who are so deserving.

This is a general item and I am wondering when it is up again if the minister will permit any further discussion with respect to this matter. There are members of our group, particularly the hon. member for Davenport and the hon. member for Broadview, who have been active in this matter but who are absent from the house on public business this evening, and there will be others in our group who will want to say something on this item.

Mr. MACKENZIE (Vancouver Centre): There is another item in the estimates on which they can discuss this matter.

Mr. GRAYDON: I am glad to have the minister's assurance on that point because members of this group have taken a very active part in trying to secure pensions for these widows. I know the minister is anxious to get this item through, and I shall be glad to expedite its passage with the reservation I have made and the assurance just now given by the minister.

Mr. McLEAN (Simcoe East): Mr. Chairman, I had not intended to speak on this item, but in view of suggestions that have been made from various parts of the house that the government is acting in this matter only after a great deal of pressure and suggestions that the government should go much farther than they have gone, I think in fairness to the minister and the government a few points should be brought to the attention of the committee.

In 1941 a committee on pensions was set up consisting entirely, I think, of veterans of the last war. They certainly could not be said to be unsympathetic to the interests of the veterans of the last war or of this war. I wish to draw attention to the fact that the government in the action they are taking have gone much farther than any recommendations made by that committee. Those recommendations have already been mentioned. That committee recommended that the government consider the advisability of extending the benefits of the War Veterans' Allowance Act to two classes of widows: widows of pensioners of the last war and, second, widows of recipients of the war veterans' allowance. Pensioners of the last war are men who are suffering from a disability incurred as a result of their service during the war. And who are recipients of the war veterans' allowance? Men who become unable to work and are in necessitous circumstances, but whose disability cannot be proved to be due to war service. Because of the fact that they served in a theatre of war—and that is an important condition—a legal presumption was established that their disability was due to the war. Men who are in receipt of a pension because of war disability were also eligible for the war veterans' allowance. As I say, that pension committee recommended that the government consider the advisability of extending the benefits of the War Veterans' Allowance Act to widows of these two classes of men—the widows of men who are suffering war disabilities and the widows of men who had served in a theatre of war and who were suffering a disability which it was legally presumed was due to the war, although that could not be proved. That is as far as that committee went, after hearing the representations of the organizations which spoke on behalf of the war widows. In fairness to the minister and to the government I think that should be pointed out more clearly than it has been because the minister himself was brief in his remarks.

The minister will correct me if I am wrong, but I take it from the wording of this item that the benefits of the order in council which will be passed are not to be restricted to widows of men who fought in a theatre of war or to widows of men who had a pension, but will apply to the widow of every man who was in the army, the navy or the air force during the last war.

Mr. GREEN: That is not what the minister said.

Mr. McLEAN (Simcoe East): Here is how the amended item reads:

To provide hereby, notwithstanding anything contained in the Consolidated Revenue and Audit Act or in any other statute or law, for the payment out of the consolidated revenue fund, of compassionate allowances awarded by the war veterans' allowance board to widows of persons who served in the naval, military or air forces of Canada during the war, 1914-1918, who are in necessitous circumstances. . . .

And so forth. The minister will correct me if I am wrong, but my reading of that item is that these benefits are not limited to the classes of people to whom the recommendations of the pensions committee apply. The benefits of the order in council will apply to the widow in necessitous circumstances of every man who is in the army, navy or air force.

Mr. GREEN: The minister said just the opposite when he made his statement.

Mr. McLEAN (Simcoe East): Perhaps I did not hear what the minister said, but that is the meaning as I read the item. Be that as it may, the government has gone the full distance recommended by the committee which, as I have said, consisted entirely of veterans of the last war.

I have just one other point to make. I think this item will pass without any opposition because it is a popular move which will commend itself to the members of the house, but I want to join with the hon. member for Vancouver South in his suggestion that this be done by statute rather than by an item in the estimates, but not for the reasons he gave. He suggested that this should be incorporated in a statute in order that it would be permanent. I doubt the wisdom of taking this action by way of an item in the estimates and by order in council, but for a different reason. I am not one of those who have been raising general objections to action by order in council. Those who have raised that objection have been very general in their objections and they have not to my knowledge pointed to many specific instances. I know that especially in war time there is a great deal of action that must be executive action recorded by order in council; but it does seem to me that when we have something that is purely legislative such as this, it would be advisable, instead of taking this action by an item in the estimates and by order in council, to have brought in an amendment to the War Veterans' Allowance Act. It may be that the government has felt that there would be no objection to proceeding in this way and that the quicker and easier way was to put an item in the estimates instead of bringing down a bill and having it go through its first, second and third readings. But I suggest that the present procedure is a dangerous precedent and I am not much impressed by the suggestion of the minister that this is more or less of an experiment.

Mr. MACKENZIE (Vancouver Centre): I never said that. What I did say was that we would like a few months to discover any flaws there might be in administering this, and that after the experience of a few months we would introduce legislation.

Mr. McLEAN (Simcoe East): I stand corrected in my statement of the minister's words. I did not state them quite correctly. The idea is, as he says, that by experience we shall find out what weaknesses there are and shall then be in a better position to enact legislation. But if that principle were to be adopted in connection with all legislation, I do not know where we would land. If something which is purely legislative is to be enacted first by the government by order in council, and an item in the estimates, and then, after people have had the benefit of it for a month or a year, legislation making it permanent is to be brought before the house, I think the method of procedure is objectionable. I know the session has been long and we are very anxious to get through; nevertheless I believe, not for the reason expressed by the hon. member for Vancouver South but for a very different reason, that it is a wrong principle that something which is purely legislative should be decided upon by the cabinet, passed by order in council, and be an item in an estimate, instead of an amendment to the act being brought in.

That was not what I rose to say. I rose to point out that, in taking the action they have taken, the government have gone as far as, and if my interpretation of the amendment is correct, much farther than, any recommendation made by the pension committee. If my reading of the amendment is correct, they have introduced a new principle into the Pension Act. They are establishing a new class of beneficiaries, namely the wives of men who served in the armed forces, irrespective of whether their husbands had a war disability or whether they served in a theatre of combat.

Mr. CASTLEDEN: It is now twenty-five years since the armistice of 1918. I think the mark of the greatness of any nation is the manner in which it treats those of its citizens who are unable to take care of themselves, and especially those who are related to the ones who were willing to sacrifice and do all they were asked to do in the war. It is regrettable that it has taken a quarter of a century to bring down what I call token legislation of

this kind, although we are glad that it is here. Yet I cannot understand what logical reason can be given why this grant should be limited to widows of pensionable veterans. Why should not any woman who is the widow of any war veteran be allowed, if she is in necessitous circumstances, to have this grant? Is there any reason? Why does this not apply to the widow of any veteran? I should like the minister's answer. If there is a logical answer, I am sure the committee will be glad to have it. I also wish to know, if the figures are here, how many such persons there are in Canada—that is, widows of pensioned veterans, and also widows of veterans—and whether this grant will be sufficient to take care of all those who may make application.

I regret that the administration is to be pretty well by order in council. If the minister has in mind any of the terms of the order in council, I am sure the committee will be glad to hear them. Surely twenty-five years of administration by the Department of Pensions and National Health should enable that department to bring down the proper type of legislative regulation and present it to this house so that hon. members can be assured the law will be administered so as to bring relief to those who have so long deserved it. That the widows of soldiers of the last war should be in need at all is a sad reflection. I do not suppose that any of them are under fifty years of age, so that in a few years they will be eligible for the old age pension and this provision will not apply to them.

Mr. MACKENZIE (Vancouver Centre): The first question, I understand, was, why was not the legislation applicable to the widows of all those who served. Is that right?

Mr. CASTLEDEN: Yes.

Mr. MACKENZIE (Vancouver Centre): Of course the principle of this estimate is to grant the same privileges to the widows as to the veterans who were eligible for the war veterans' allowance. The principle of service pensions as such has never been admitted in Canada nor, so far as I am aware, in any other country. The provision of the regulations which will follow will be that the word "veteran" will mean in the regulations exactly what the word means in the War Veterans' Allowance Act.

Mr. GREEN: Will that cover the men who served in the British forces?

Mr. MACKENZIE (Vancouver Centre): The limitations will be exactly the same as they are in the War Veterans' Allowance Act.

[Mr. Castleden.]

Mr. GREEN: Of course the limitation in the War Veterans' Allowance Act is wide enough. I refer to section 2, subsection (j), paragraph (ii):

> Any former member of any of His Majesty's forces or of any of the forces of any of His Majesty's allies who was domiciled in Canada at the time at which he joined any such force for the purpose of the war and who served during such war in a theatre of actual war. . . .

It also covers the Canadians who served in the South African war. As I read this vote, neither of these categories is covered.

Mr. MACKENZIE (Vancouver Centre): In the regulations the word "veteran" will mean exactly what the word "veteran" means as defined in the various subsections of the War Veterans' Allowance Act.

Mr. GREEN: In other words, a man who served in the imperials will be covered if he had a Canadian domicile?

Mr. MACKENZIE (Vancouver Centre): Yes, if he is eligible under the provisions of War Veterans' Allowance Act. But there was quite a strong public opinion in this country against making the provisions of the act available to imperials who served in a theatre of actual war unless they were previously domiciled here, when such provisions were not available to Canadians who had served in England.

Mr. POULIOT: The minister shall bear in mind that no man who has lived in the mud and passed winters in the snow and the cold can be normal when he resumes his civilian life two, three or four years after enlistment. It is impossible. And because a soldier—and when I say "a soldier" I include the three branches of the armed forces—is considered fit at the time that he is discharged, it is impossible for him to get any superannuation afterwards, because he cannot establish that the cause of his sickness is on account of his military services. This is the answer that I have received hundreds of times. It is not fair, because I know returned men who suffer from rheumatism—

Mr. MACKENZIE (Vancouver Centre): Mr. Chairman, I am sorry, but I must rise to a point of order. My hon. friend is discussing pensions. This has nothing to do with the Pension Act; it is a special allowance under the provisions of the War Veterans' Allowance Act for certain classes of widows. We have in the estimates another item dealing fully with pensions and veterans' allowances.

Mr. POULIOT: Well, I will ask the minister not to rise before I have finished explaining my case. I know he is very impatient when I

speak. If he wants me to tell him what I think of his department, I will tell him in very clear language, and I want him to be patient.

Mr. MACKENZIE (Vancouver Centre): Go ahead.

Mr. POULIOT: Yes, surely. I want him to be polite. He must remember when everybody was against him I was the first one to speak in his defence.

Mr. MACKENZIE (Vancouver Centre): I am not taking any lessons in politeness from the hon. member for Temiscouata. There is not a more impolite man in the house than the hon. member.

Mr. POULIOT: I have no lesson to receive from the minister or from any other minister. And now I fight for the under-dog.

Mr. PINARD: You should have got your lessons before.

Mr. POULIOT: I will ask the hon. member for Ottawa East to agree with the hon. member for Ottawa South before he interrupts me when I speak.

An hon. MEMBER: "East" and "West"; there is no "Ottawa South."

Mr. POULIOT: Besides that, the hon. member for Ottawa East shines more by his silence than when he talks.

The CHAIRMAN: Order. The hon. member must confine himself to the item before the committee.

Mr. POULIOT: We may discuss the matter in St. Anne's hall before some returned men. I am speaking of men who receive nothing, and I am urging the case of those who depend on the men. The dependents are not only widows; they may be mothers or children, when the mother is dead, or other relations. In my opinion this item is not large enough, because it does not cover the cases that should be provided for in all humanity.

I have written to the Department of National Defence with regard to one man. The facts of the case are all set out in that letter. This is a poor fellow who was driving a baker's wagon delivering bread. He had only his skin and bones, no flesh, the leanest man I have ever seen on earth, very delicate. He used to drive a wagon and he was called to the army. A doctor's certificate was given showing that his health was exceedingly poor and that he was suffering from hyperchlorhydria. He was taken into the army, but he suffered all the time. He went into the hospital and received the last rites of the church—

Mr. MACKENZIE (Vancouver Centre): I rise to a point of order. The item we are discussing relates to widows from the great war, a particular class of persons, and my hon. friend is not making any statement that is germane to the item.

Mr. POULIOT: I am submitting that the item is not wide enough. It should be wider and should apply not only to war widows, legitimate or not, but to other persons, the mothers of those in the army and also children. I believe that the duty of the state is to look after the men who have been suffering by reason of military duty. It is a real shame to think that twenty-five years after the first war we still have a veterans' problem to deal with, and that problem has not yet been solved.

Speaking to the point of order, let me say that my story is not finished. I have two or three sentences to add to this case, and then the minister will realize that I am perfectly in order when I ask that the item should be broadened in order to cover the field I have indicated. Have I not the right as a member of parliament to say that this item is wholly unsatisfactory, that it does not cover cases that are most critical, and that from the human and humane point of view the minister should broaden it to cover at least some essential cases? That is my view, and if I have not the right to say that to-night, we might as well close parliament and all go home, and let the ministers decide what they wish by order in council.

I am speaking as a man who has been offended by the way in which some returned men of the last war, and some men in the army now, have been treated by the army, and I am going to discuss the case of a mother who was deprived of all help because, by false pretences, they succeeded in getting the signature of a young man to his resignation from the army. Telling him that he was getting a pension, by having him sign that paper under false pretences they succeeded in obtaining his resignation, by that action depriving his mother of the allowance to which she was entitled.

The CHAIRMAN: The minister has raised a point of order. The hon. member for Témiscouata must realize that the item under discussion deals with allowances to widows of persons who served in the naval, military or air forces of Canada during the war, 1914-18. I think it should be possible, after the statement made by the minister, for the hon. member to stay within the limits of that item. I must follow the rules. Other

opportunities will be afforded for the hon. member to bring up the matter he is now discussing.

Mr. POULIOT: I abide by your ruling, Mr. Chairman. I respect the Chair.

Let me now take up the matter of a returned man of the first war. This man was shell-shocked. I have sent that case to the minister. This man receives $40 a month. He can hardly speak. What does he do? He sells cards for ten cents—

Mr. MACKENZIE (Vancouver Centre): I must rise to a point of order. There is an item in the estimates dealing with pensions for men of the last war, and an appropriation for this war. I submit that the hon. member is out of order.

The CHAIRMAN: The point of order is well taken. The hon. member for Temiscouata realizes that the matter he is discussing is not relevant to the item before the committee.

Mr. POULIOT: I am not going to argue against your ruling, Mr. Chairman, but I will tell you one thing. The minister of pensions has never understood the rules of the house. However, I will not discuss that case any farther. There are items covering different things; there are items for the veterans of the last war and there are items for the men of this war. Why have we this item before us to-night? Because those two items were not adequate. If they were, why should we have this one? I am arguing that this item is not enough; it does not cover all the cases that should be remedied. I make this statement on behalf not only of the soldiers of my county, but of the soldiers in all parts of Canada, who complain that they are not receiving fair treatment. Is this item only for the female sex? Are we to be told that it is only women who shall enjoy it? In the last war there were very few women except nurses, and what the women received they received through their husband's pay and allowances granted to them. And now we have to fight for these cases, and it is a very hard fight because it is impossible to get any satisfactory answer from the department as it is at present organized.

For a time the board was giving pensions, just the same as the waters flood the fields. To-day conditions are different, and it is hard to get anything. When a man gets a few dollars a month, a meagre pittance, he is considered well off. It affects the condition of the mother; it affects the condition of the children; it affects the condition of the whole family. And it is on behalf of the starving families of many soldiers, and especially on behalf of the classic case of Peter Leclair who wrote to everybody, from the Prime Minister down, seeking redress of his wrongs, that I ask the minister to reconsider that. I say this in the best possible spirit. So long as we are here a society of mutual admiration, making kotows to each other, we shall get nowhere. Soldiers will be most indignant at the way things are going on. How is it we cannot have redress of a wrong on behalf of a poor widow who has been deprived of her rights, when we think of men who get $50 a day for living expenses as dollar-a-year men? And that does not even come before us. There are more allowances for them. We are told it is not under the item. We will take it under the item and wait for it one hour, two hours. I put all these cases before the conscience of the minister and the conscience of my hon. colleagues. It is a shame that in a country like ours we see many soldiers who can hardly walk, who have been shell-shocked, who walk with crutches, who are one-eyed, and who have lost an arm or a leg. We see them in the streets. Sometimes they are begging. The state should have provided work for those who were able-bodied, and should have looked after the returned men who were unfit, whether—

The CHAIRMAN: Order. The Chair has some power if he wishes to use it. I have called the hon. member for Témiscouata to order twice, to have him realize that he is not speaking to the item before us. He knows as Chairman of committee I would be the last man to deprive him of the privilege of speaking his mind. But there are some rules which of necessity I must follow. One rule is that in committee of the whole we must necessarily keep to the item we are discussing; otherwise, we would not make headway. I believe I am voicing the sentiment of an overwhelming majority of the members of the committee when I say that we should keep within the item we are discussing; otherwise I shall have to use the powers I have vested in me.

Mr. KNOWLES: I should like to say another word about the effective date of the payments to be made under the item we are now discussing. I do not feel I can accept as final the word of the minister given a short time ago, when he said he thought there would be no legal power to make payments retroactive to April 1. I wish to say that in putting up a struggle for this point I have no notion that the paying of these widows for the last two or three months will at all make up for what they should have

been receiving over a good many years. It seems to be very niggardly and unfair that these women should have to suffer delay in receiving these payments on account of our delay in reaching this item. I shall call as witness to that point the Prime Minister. Before doing so, however, may I point out that on March 26 the house voted one-sixth supply for the fiscal year commencing April 1, 1943. Then on May 17 we voted another sixth of the year's supply, which means that at all times we have had supply in the treasury, if I may put it in that way.

On May 18, after we had thus voted four months' supply, I asked on the orders of the day whether it would be possible, in view of the supply which had been voted to begin making these payments. The Minister of Pensions and National Health replied that legal advice had been obtained indicating that this would not be possible. A little later on, by way of further response to my question, the Minister of Finance made this reply, as reported at page 2757 of *Hansard:*

> May I point out that whenever interim supply is asked for the opposition always reserves the right to oppose any item; therefore the granting of interim supply does not carry with it the sanction of any particular item.

I point out to the minister that if there was anything to that right of the opposition to oppose any item, the opposition also has a right to take a positive stand, and we are unanimous in urging him to make these payments retroactive at least to the beginning of the present fiscal year.

I said a moment ago I would call the Prime Minister as my chief witness. I refer hon. members seriously to the debate which took place in the house on April 20 and 21 with respect to the voting of money for parliamentary assistants to the ministers. Hon. members will recall that at that time we voted $40,000. The matter went through the committee stage and the various readings on April 20 and 21, and finally passed on April 21. That day an hon. member asked the Prime Minister when these salaries of $4,000 a year to the parliamentary assistants would begin. As reported at page 2397, the Prime Minister replied:

> The payments will start from the date of the appointments, certainly; but I would say to the committee that some hon. members have been giving a great deal of their time to the work of some of the departments and at a later time, possibly in a supplementary estimate, I may ask that they be given some consideration for the time already spent in that way.

Then, a little later on, on the same day—

The CHAIRMAN: I must direct the attention of the hon. member to the fact that he cannot quote from speeches during the present session, unless those speeches deal with a problem we are now discussing. I refer him to standing order 41, citation 293 (a):

> . . . that a member, while speaking, must not:
> (a) refer to any debate of the same session on any question not then under discussion.

I would ask the hon. member to observe that rule.

Mr. KNOWLES: I accept your ruling, Mr. Chairman. However, I shall refer to the sentiment then expressed in the same debate by the Prime Minister when he said, in effect, "I am sure hon. members of this house would not want these parliamentary assistants to fail to get consideration for what they have done already, through the failure of this house to get to the appropriate item in the estimates."

Mr. Chairman, I submit that the position is exactly the same in the present instance. Surely hon. members of this house do not want these women to be deprived of $40 or $60 each to which they are entitled, merely through a failure of the house to reach an item in the estimates. If it was possible to make payments on account of $4,000 salaries to parliamentary assistants retroactive to April 1, in addition to their indemnities, even though the amounts were not passed in the house until April 21, then although I am not a lawyer I cannot for the life of me see why the same thing cannot be done for these women.

As a matter of fact, there is another reference in the same debate I would have read, had I been in order. However, I shall refer to it only from memory. The Prime Minister said that some of these parliamentary assistants had been giving assistance to the ministers during a period even prior to the commencement of the present fiscal year. He said that at a later date he might ask the house to vote a supplementary estimate to make possible payments on account of salary to those parliamentary assistants for the period prior to April 1, 1943.

I wish to make it very clear that I am not objecting to the parliamentary assistants receiving pay for the time they worked. I agree with the principle; in fact, we in this group object to the principle that is followed all too often, of having men work for the government for nothing or for a dollar a year. We claim that is the most costly kind of service one can obtain. We accept the principle with respect to these parliamentary assistants; but if it is possible legally to pay these parliamentary assistants for what they did prior to April 1, as I interpreted the Prime Minister's

remarks, then I impress upon the minister with all the persuasion of which I am capable that I see no reason why the same thing cannot be done for these widows. I ask him to go to battle on this for all he is worth. It will not make up for what they have been denied for twenty years, but the least we can do now is to see to it that those who are entitled to this pension get it back to April 1.

Mr. MACKENZIE (Vancouver Centre): I may repeat what I said before; apparently I did not impress it upon my hon. friend. I have already taken up the very point which is now in debate. The same idea occurred to me that has occurred to him.

Mr. KNOWLES: Did the minister take up with the Department of Justice—

Mr. MACKENZIE (Vancouver Centre): Payments cannot be made until the estimate has been passed by this house. I have explored and am still exploring the question of retroactive payments, and I can tell my hon. friend that if it can be done I shall recommend most strongly that they be paid in that way, but I doubt very much whether I shall be able to do that.

Mr. KNOWLES: Did the minister take up with the Department of Justice the point I have just raised, namely the retroactive payments to the parliamentary assistants? The Prime Minister said that they would be paid.

Mr. MACKENZIE (Vancouver Centre): There is an opinion from justice, an opinion from other law officers and an opinion from the chief treasury officer, all to the same effect. I may be able to make such recommendations in future as may overcome some of these objections. Certainly I shall do my best, but I am afraid I may not succeed, so that I want to warn my hon. friend.

Mrs. CASSELMAN: This extension of the pension to the widows of war veterans is a forward step, and I am sincerely glad that it has been taken. I know personally some of the women who have been trying to bring this about, and even this small amount will be of great help to the women who receive it. I want to urge that it be administered liberally; that is really the main thing I wish to say. I hope those who have charge of the administration will remember that this measure is for the benefit of those who are the recipients of it. While there must be investigations, I hope those investigations will be carried out as fairly, courteously and generously as possible. We really need far more trained workers among those who come into contact with the individual pensioners, because sometimes the good intent of a measure is largely negatived by the way in which it is carried out. I would suggest that quite a number of these administrators should be women, and that if the necessary qualifications can be found in women who have suffered similar losses, they be given consideration above other applicants.

Mr. GILLIS: There are a few points I should like the minister to clarify. I wish to compliment him upon being successful in bringing this matter before the committee at the present time. I know it has been a battle for twenty-five years on the part of some of the members of this house, and I think the minister has always been sympathetic. I know when the pensions committee considered this matter two years ago there was no difficulty in having the present minister of pensions agree to do what he could in the matter. I think the joker behind the scheme has been the treasury board, and I hope he will be able to persuade them along the lines suggested by the hon. member for Winnipeg North Centre.

The hon. member for Edmonton East very well said a moment ago that the test of any legislation is in its administration, and in that connection there are one or two points I should like to put to the minister now. In the first place I understand that this grant is to be administered in accordance with the provisions of the War Veterans' Allowance Act, and that the widows will be subject to the limitations of that act. I would interpret this to mean that only the widow of a veteran who served in a theatre of war, or a veteran who is receiving a five per cent pension and has attained the age of fifty-five years, will be entitled to this grant. Those limitations will cause a great deal of disappointment to a large number of the widows of veterans of the last war who have been actively carrying on a fight for the last fifteen years at least to bring about that which we have under consideration at the present time. I think the general impression of hon. members is that all widows of veterans who served in the last war and who are in necessitous circumstances will immediately come under this grant, but such is not the situation. As I pointed out a moment ago, it is only the widows of veterans who served in a theatre of war, veterans in receipt of pensions and who have reached the age of fifty-five years.

Mr. MACKENZIE (Vancouver Centre): Or who are incapable or likely to be incapable of earning a livelihood; the same provision as we have in the War Veterans' Allowance Act.

Mr. GILLIS: That is right. I believe the veterans of the last war, who filled premature

graves, who were not able to prove entitlement to pension and who did not come under the provisions of the War Veterans' Allowance Act were the subject of the main fight that has been carried on during the years, and I believe hundreds of widows who are in necessitous circumstances will not be able to benefit under this grant. When this measure was brought in I had hoped that the government was making an appropriation which would apply to widows who were not covered by the War Veterans' Allowance Act, or the Pension Act, because those who came under either of those acts received some measure of protection and some consideration.

Mr. MACKENZIE (Vancouver Centre): Only for twelve months.

Mr. GILLIS: That is right. This provision is serving a useful purpose; there is no doubt about that, but I think it should be extended to include the widows of veterans of the last war who saw service and who for years have been living on the border-line of starvation; not old enough to qualify for old age pensions, in many cases physically incapacitated, with no provision of any kind for their care. I think the minister might still press for administrative latitude, where there are extenuating circumstances, regardless of the provisions of the War Veterans' Allowance Act.

Mention was made of the means test. In my opinion the application of the grant on the basis of necessitous circumstances is much preferable to the meritorious service provision in the old act. Under the old act, unless you were a general and had won the Victoria Cross your widow could never qualify for the grant.

I have associated for a long time with those who administer the Pension Act and the War Veterans' Allowance Act, and I have always found them sympathetic and feel sure that they will apply this provision as it is intended to be applied. A large number of applications have been filed on the basis of meritorious service, and I should like to know if these will be considered, or if new claims will have to be made. I have tried to straighten out many cases under the other section, and I am wondering now if we shall have to go back over the ground and make other applications.

Mr. MACKENZIE (Vancouver Centre): If eligibility exists under this estimate, the case will be considered.

Mr. GILLIS: There will be a reexamination of the case?

Mr. MACKENZIE (Vancouver Centre): Yes.

Mr. CASTLEDEN: I asked how many applications had been made and what was the estimated number of applications it was expected would be made.

Mr. MACKENZIE (Vancouver Centre): I do not know how many applications have come in, but the estimate is based upon 1,836 applications for this year.

Mr. CASTLEDEN: How many widows are there in Canada? Are there any statistics on that?

Mr. MACKENZIE (Vancouver Centre): I have not those figures under my hand at the moment. We have the number of widows of pensioners, but I do not think we have the number of widows of veterans.

Mr. CASTLEDEN: How many allowance cases are being paid at the present time?

Mr. MACKENZIE (Vancouver Centre): A total of 24,192.

Mr. CASTLEDEN: No widows are receiving pensions as yet?

Mr. MACKENZIE (Vancouver Centre): Just an allowance for a period of twelve months after the decease of the recipient.

Mr. CASTLEDEN: Has any arrangement been made to enlarge this grant in case it is not sufficient to cover the number of applications made which may be considered eligible?

Mr. MACKENZIE (Vancouver Centre): We can always do that by a supplementary. Financial provision will be made for the number who will qualify under the estimate.

Mr. CASTLEDEN: When shall we receive a copy of the regulations under which this will be administered?

Mr. MACKENZIE (Vancouver Centre): As soon as they are passed. I hope to have them passed next Monday, and they will be tabled the next day.

Mr. QUELCH: I understand that this legislation will apply to the widows of soldiers who were in reecipt of war veterans' allowance on their death, or who had made application and who would have received it had they lived?

Mr. MACKENZIE (Vancouver Centre): And who possessed the necesary military qualifications to receive a veterans' allowance.

Mr. QUELCH: Assuming that a soldier was fifty-four years old when he died and was therefore debarred from receiving a war veteran's allowance, would his widow be

eligible for this on the sixtieth anniversary of her husband's birth, provided the circumstances warranted it?

Mr. MACKENZIE (Vancouver Centre): There is no automatic provision, but I shall be very glad to give that matter consideration.

Mr. GREEN: If a veteran is a widower and has a child or children he is entitled to $40 a month instead of $20. Will the same provision apply to widows?

Mr. MACKENZIE (Vancouver Centre): No.

Mr. GREEN: In other words, if she has a child or children will she get a double allowance?

Mr. MACKENZIE (Vancouver Centre): No; there is no provision, but it is a point we can explore further.

Mr. GREEN: If the War Veterans' Allowance Act is followed, then certainly a widow with a child or children should get $40.

Mr. MACKENZIE (Vancouver Centre): I shall be glad to discuss that further.

Mr. GREEN: Is there any reason why provision should not be made to give free medical treatment to these widows, the same as the recipients of war veterans' allowances get?

Mr. MACKENZIE (Vancouver Centre): They do not get it.

Mr. GREEN: Under class 18.

Mr. MACKENZIE (Vancouver Centre): Only special cases.

Mr. GREEN: The recipient of a war veterans' allowance gets treatment under special conditions. Is there any reason why the same provision could not be made for the widow?

Mr. MACKENZIE (Vancouver Centre): Of course any veteran is entitled to treatment under class 18, but the endeavour here is to give the same benefits to the widow as were conferred on the recipient under the War Veterans' Allowance Act.

Mr. GREEN: There is no intention of giving the widow free medical treatment?

Mr. MACKENZIE (Vancouver Centre): No.

Mr. GREEN: The minister said a few minutes ago that the widow of any veteran who was covered by the War Veterans' Allowance Act could get this payment. As I read the vote, it refers only to the widows of veterans who served in the war of 1914-18.

[Mr. Quelch.]

I think the minister should make it perfectly clear whether or not the widow of a South African veteran can get this allowance.

Mr. MACKENZIE (Vancouver Centre): That is certainly the intention, and it will be made clear in the regulations.

Mr. ROSS (Calgary East): I wish to compliment the minister upon the sympathy he has shown to the widows of war veterans by providing this vote in the estimates. These people are deserving, and I should like to see more done for them. I do not think this goes far enough, but it is a step in the right direction.

Amendment agreed to.

Item as amended agreed to.

POST OFFICE DEPARTMENT

240. Departmental administration, $730,858.

Hon. W. P. MULOCK (Postmaster General): Mr. Chairman, I should like to make a few remarks on the subject and give a general idea of the financial position of the department. In presenting the estimates of the Post Office Department for a period overlapping the fourth and fifth years of the war, I have to report that this service is continuing to the best of its ability to carry out its obligations to the public and its cooperation with other government bodies referred to in the statement which I made to the committee in July last. I have no desire to occupy time unnecessarily by again going over the ground traversed on that occasion, but it may not be out of place to point out that this cooperation has kept pace with the expansion of functions and activities, such as rationing, which has taken place during the past year.

Taking up first the financial position of the department as shown by revenue and expenditure, may I point out that in presenting the post office estimates last year I was able to report receipts for 1941-42 which up to then constituted an all-time high for the department. For 1942-43 the report is the same. The gross revenue shows an increase of $3,697,979 over 1941-42, or 6·6 per cent. The net revenue increased by $2,874,890, or 6·24 per cent. Increase in revenue merely reflects increased mailings. The increase mentioned does not indicate the extent of increased mailings, because it is necessary to consider also the postage value of franked mail which in 1942-43 showed an increase of more than $700,000 over 1941-42. Augmented mail volume necessitates added operational costs—more staff, more salaries and bonus, more space in railway cars, on planes other than T.C.A. and on steamboats, and more expenditure for stationery and equipment of all kinds.

If we now look at expenditure figures for a moment we find that there is an increase over 1941-42 of $3,240,118, or 12·8 per cent, and I wish to call the attention of the committee to the differing conditions in the two years under review.

The first point of difference is in the cost of living bonus. In the months of April, May, June and July of 1941, straight salaries only were paid. Commencing August 1, employees under $2,100 per annum received the benefit of an 11 per cent cost of living bonus.

In 1942-43, the cost of living bonus was operative throughout the whole year, 11 per cent being the rate from April to July inclusive and 17 per cent for the remaining eight months.

So that in comparing the two years it is necessary to take into account the fact that during the first four months of 1942-43 an 11 per cent bonus was paid, whereas during the same period of 1941-42 there was no bonus, and that during the remaining eight months of 1942-43 the bonus rate was 54·5 per cent higher than during the same period of 1941-42. Translated into figures, the bonus payments in 1941-42 amounted to $1,039,369, while in 1942-43 they were almost $2,105,000. Even if there had been no increase in the bonus rate, the expenditure under this heading in 1942-43 would still have been approximately $500,000 greater than in 1941-42.

The second point of difference is the increased volume of mail. Expenditure from the railway mail service vote alone in 1942-43 shows an increase of nearly $600,000 over 1941-42. A large part of this increase is in mail service by railway, but a greater part is in mail service by steamboat. As explained last year, ocean conveyance has been wholly provided for by the Post Office Department since subsidies were withdrawn by the Department of Trade and Commerce. Seaborne mail now consists largely of letters and parcels to troops overseas and letters from them to relatives and friends here.

To illustrate the situation more clearly, may I point out that prior to the war post office estimates provided to the extent of only about $325,000 for mail service by water. Hon. members will note that the estimates for 1943-44 contain provision to the extent of $2,500,000.

A third point of difference is in mail service by air and by ordinary land conveyance. The expenditure from this vote in 1942-43 was $988,000 greater than in 1941-42. This is due to two factors, first the expansion of Trans-Canada and other air services to meet the needs of the public and war conditions, and second, rising costs of service by ordinary land. These are factors over which the department has no control and which must be provided for if service is to be maintained.

The estimates for 1943-44 show an increase of slightly over $3,000,000 as compared with 1942-43. On examination it will be found that this increase is very largely due to the categories of expenditure I have already mentioned, namely, cost of living bonus, mail service by railway and steamboat, also mail service by air and ordinary land conveyance.

With the exception of these items the estimates for this year are practically on a level with those of the preceding fiscal period.

In conclusion, I wish to pay tribute to the loyalty and cooperation of all postal personnel under frequently trying war-time conditions. Postal workers, whether they be paid from parliamentary appropriation, postmasters of revenue offices and their assistants, mail contractors and their couriers, are all contributing to the support of our country's war-time financing, and many of them are giving of their spare time in war activities of various kinds. I am glad indeed to take advantage of this opportunity to express on behalf of the government appreciation of the services rendered by postal personnel, whether acting in their official capacities or as private citizens of this dominion.

Mr. NICHOLSON: I wish to congratulate the minister upon the statement he has just made and to associate myself with the tribute of appreciation he has paid to the members of the post office staff right across this country for performing such valuable services in our national life under very trying conditions. I think it is remarkable that the Post Office Department has been able to give the service it has been giving to the people of Canada and to our armed forces scattered over the entire world with so very few complaints.

I have a suggestion I wish to make in the hope that consideration will be given to it by the minister between now and next year. Of course, we always have to speak in terms of improving these services. It amazes me that the Post Office Department is able to give as good a service as it does with political patronage as it is in this country. I should like the minister to bring in a recommendation while he holds office to set up a public service utility to administer the handling of mail along the lines of the operation of the Canadian National Railways, removing the service entirely from political patronage. I say this as a member of the opposition, expressing a good deal of sympathy for members of the govern-

ment when I read some of the sessional papers and realize how embarrassed the members must be when they recommend the appointments that some of them do, and then have the grief that frequently follows.

I have here a sessional paper in connection with the appointment of a postmaster at Endeavour, in my constituency. I would not take the time to discuss it if it were not a typical case.

Mr. MULOCK: Perhaps the hon. member would not mind waiting until we reach the next item, 241, which deals with post offices. The item before us deals with the general administration of the department.

Mr. NICHOLSON: I was going to cite this case to support my argument but if it will accommodate the minister I shall be glad to resume my remarks when we reach the next item.

Mr. MULOCK: Thank you.

Mr. ADAMSON: I understand that the Post Office Department handles the registration cards. When these forms are sent out to the individual post offices, what is the machinery for registering the people? Are they counted or numbered?

Mr. MULOCK: The names are registered through to the local registrar of the district concerned.

Mr. ADAMSON: Suppose a post office gets 100 or 150 of these forms. Does each individual postmaster have to account for each one of those forms? They are not numbered yet, are they?

Mr. MULOCK: My officials advise me that the postmasters have to account for every form.

Mr. STIRLING: The minister has referred to the increase in revenue, both gross and net. Would he indicate what sum he anticipates receiving from the extra cent postage, dividing it between land and air?

Mr. MULOCK: It is a little early to give any definite information, but it would seem that about $9 millions is indicated at the present time from the one-cent revenue tax placed by the Department of Finance on the post office.

Mr. STIRLING: Including both land and air?

Mr. MULOCK: Yes, all letters.

[Mr. Nicholson.]

Mr. STIRLING: Can he divide it? He is not in a position to say what portion of that will be derived from the seven cents for the air letters?

Mr. MULOCK: Not as yet, no.

Mr. STIRLING: Could the minister give any general statement with regard to the condition of airmail overseas? Is it received at present at both ends, and if it is, can he give any explanation of the extraordinary delays which occur, particularly in the mail coming westbound?

Mr. MULOCK: Yes, I think I can give the hon. member that information. Notices are being sent to the postmasters throughout this country that, commencing immediately, we shall be in a position to take care of the 30-cent half-ounce letter, namely, the ordinary letter which can be handled by air from now on to Britain. Outside of an accumulation on account of very, very heavy mailings of the armed forces letters at Christmas time, there have been very few delays except the ordinary delays which cannot be avoided owing to bad flying weather. I know my hon. friend understands that there have been no delays in the airgraphs. While we are on the point of airgraphs, I might say that we have been able to speed this service up considerably. At first the messages had to be dispatched to the United States, either New York or Rochester for processing. The Canadian airgraph messages received the same treatment in proportion to the number of United States airgraph messages, which they call "V mail." If a very heavy United States mail arrived, there would be delay in getting some of our airgraph messages processed, and considerable delay did occur. I am glad to be able to report to the committee that that work is now being carried on in Canada and will certainly cut the time by at least forty-eight hours, and in many cases, such as delays on account of heavy United States mailings, a great deal more than that.

That relates to mail going to Britain. I would advise the hon. member, although I think he knows, that the Post Office Department of this country is not responsible for mails until they arrive in Canada. We are not responsible for mail dispatched from Britain; that is the responsibility of the Postmaster General of Great Britain. We are no more responsible for them than we are for mail sent from Mexico or any other part of the world. I know they are having trouble. I think I can say, without giving away any confidences—it is, perhaps, clear to everyone—that there are more planes going to Britain than are returning. That is the

story. It is easier to get mail across whereas the Postmaster General of Great Britain at times finds difficulty in obtaining enough planes to handle all the airmail which is destined for Canada and the United States. There is a considerable accumulation of airmail for Canada. The Right Hon. Mr. Morrison, then Postmaster General of Great Britain, discussed the matter with me when I was in England last year, and explained the difficulty. There was just not a sufficient supply of planes to take care of the airmail, and rather than delay it all the way down the line and hold back further airmail which was coming in, he dispatched a very large amount of it on a fast ship to Canada and so cleaned up the accumulation. Had it not been done in that way there would have been delay for months and months before the accumulation could have been disposed of.

Mr. STIRLING: Can I gather from what the minister has said that the westbound airmail for some time has been coming by direct plane and not by a more devious route?

Mr. MULOCK: I think I can say that it has been coming direct for some time.

Mr. HANSELL: Would the minister give us a little more detail with respect to the revenues that have been received? I should like a break-down of the revenues which are produced. How much do we receive, for instance, as a result of overseas mail, of first-class mail, and of second-class mail? I appreciate the difficulty of answering the question in respect to the extra cent tax. We must, however, be receiving quite a revenue from first-class mail, with the rate of four cents on every letter which is posted.

Mr. MULOCK: I can give my hon. friend the information for the year previous but I cannot give it to him yet for the last year. It will be available in a few months.

Mr. HANSELL: If the minister can give it for the year previous it will help to some extent, but we are getting well on in the year and it would seem to me that a balance could be struck. However, I know we can call for a return at any time. Will the minister give us the latest he has?

Mr. MULOCK: I will give the poundage and the revenue: First-class, 22,000,000 pounds, revenue $26,000,000; second-class, 116,420,000 pounds, revenue $1,853,600; third-class, 33,700,000 pounds, revenue $4,500,000; parcels, 77,000,000 pounds, revenue $6,500,000; local letters, revenue $5,100,000.

Mr. HANSELL: Has the minister the overseas amount? Are the figures separated?

Mr. MULOCK: I can give it in pounds, if that will help the hon. member. I have that information here for the last three calendar years. Letters and postcards: 1940, 124,005 pounds; 1941, 275,268 pounds; 1942, 502,909 pounds. Other classes except parcel post: 1940, 569,665 pounds; 1941, 1,307,797 pounds; 1942, 1,975,698 pounds. Parcel post: 1940, 3,953,260 pounds; 1941, 6,470,089 pounds; 1942, 15,806,645 pounds. Tobacco parcels: 1940, not available; 1941, 2,506,606 pounds; 1942, 4,643,375 pounds. Totals: for the calendar year 1940, 4,646,930; 1941, 10,559,760; 1942, 22,928,627 pounds.

Mr. HANSELL: I thank the minister for the information, and now that I have these figures I am not so certain what to do with them. I was more anxious to get a break-down of revenue than of poundage. The minister said that there were more planes going eastward than coming from overseas. Is that on account of the ferry command, the bombers going overseas?

Mr. MULOCK: Yes.

Mr. HANSELL: In connection with the congestion of mail that might result, coming from overseas, is there a priority in the carriage of mail?

Mr. MULOCK: The hon. member no doubt heard the statement of the Minister of Munitions and Supply with regard to the new Canadian service. That, as I understand it, is for the armed services and official mail and not for civilian use. I understand that is the tenor of the agreement. So far as we are concerned, in our mail going to Britain the first priority is airgraph. In airgraph we can move a tremendous number of messages in case of congestion. We can get more letters over and have a faster communication than in any other way. Next comes the armed forces' air letter. That is much lighter material or paper than is ordinarily used, and that is second priority. Letters to troops go first so far as we are concerned, but of course there are exceptions. If there were some urgently required government dispatches or something of that kind that would be an exception. There must be exceptions to every rule.

Mr. GRAYDON: I do not know whether the question I am about to ask is pertinent to this item. With regard to the operation of the Post Office Department, there must be some working relationship with the board of censors, because a good deal of censorship is complicated with the mail service and the

Post Office Department generally. I think it would be of interest to the committee if the Postmaster General would indicate the manner in which the two services, that of censorship and the Post Office Department, actually operate in a mechanical way. I would ask him also if the arrangements between the board of censors and the Post Office Department are working satisfactorily.

Mr. MULOCK: I appreciate the interest the leader of the opposition has in this matter, and I can assure him that my officials and those of the war services are getting on very well. In fact, a large number of them, engaged in postal censorship, were formerly postal employees on the payroll of the Post Office Department until a few months ago. I do not want to go into details because I am not dealing with that matter, but if the censors ask the Post Office Department for requirements we try to cooperate and see that they get them. That is about as much as I can say. Censorship does not come under my department.

Mr. GRAYDON: I was not suggesting that it did. But I did want to know something of the relationship that exists between the two branches. Perhaps it would help the minister in giving the details if he could tell me what is the mechanical arrangement in connection with the submission of letters and other documents that go through the post office. Are there representatives of the board of censors in the Post Office Department, or how is the censorship actually worked out mechanically?

Mr. MULOCK: There is a post office and a dead letter office in the censorship.

Mr. GRAYDON: What the minister means may be perfectly clear to him; but does that mean that, so far as letters that go through the ordinary mail are concerned, a proportion of them are censored, or how is the censorship actually worked with regard to the great volume of mail? I can understand that all letters are not opened, but a certain percentage of them are opened from time to time and I should like to know whether any letters are opened that are posted in Ottawa for instance. Are there any opened and examined by the censor? If so, which letters does the censor actually choose for examination out of the great volume of mail, and how is it actually done, having relation to the position of the Postmaster General?

Mr. MULOCK: I have no information.

Mr. GRAYDON: The Postmaster General is leaving the matter surrounded by an air of mystery. When I first asked the question I did so innocently because I did not know that there was any mystery surrounding it. Surely the Postmaster General is in a position to give a simple answer to my question. Are there representatives of the board of censors in any branch of the Post Office Department?

Mr. MULOCK: No.

Mr. STIRLING: Can the minister explain this: I receive letters from Great Britain which reach me through the machinery of the post office. A very considerable number of them, almost all of them, are opened, and fastened up again with a white strip of paper having black lettering on it. Is that done in Great Britain, or in Canada?

Mr. MULOCK: In Great Britain.

Mr. STIRLING: Is anything similar to that done after a letter has been put into the hands of the officials of the Postmaster General in Canada for dispatch to Great Britain?

Mr. MULOCK: That is really a question for the Department of National War Services. The matter of censorship is under the minister of that department. I know when it was under the post office I learned, when talking to officials from Great Britain, that they were not very keen on information being given; in fact they impressed strongly upon officials of this department and upon myself that we should not give information with respect to the details of the system of censorship. I would rather have the Minister of National War Services deal with this matter, because it comes under his jurisdiction, and he will know the general feeling, particularly in Great Britain and the United States, with regard to censorship. I believe they work along nearly the same lines.

Mr. STIRLING: That is good enough for me.

Mr. GRAYDON: Perhaps the minister might have said that he declined to answer my original question for purposes of security rather than the answer he actually gave. My understanding is that the board of censors has representatives in some of the post offices.

Mr. MULOCK: Our employees have to do the physical act, if that is what the leader of the opposition means. They must perform the physical act of moving the mail to the censor; to that extent the hon. member is correct.

Mr. GRAYDON: For the time being I believe that clears up what I wanted to know, namely, the relationship between the board of censors and the Post Office Department. It seemed to me that from the point of view

of mechanics the two departments would have to work closely together, hand in hand, in order that censorship might be carried out. Naturally the details of censorship would not fall within the purview of the minister's department, but rather within the department headed by the Minister of National War Services. I did want to know what degree of cooperation existed between the two departments.

Mr. LaFLECHE: I take it the leader of the opposition inquired as to the mechanics of dealing with the situation. If I might be permitted, I would say that on the staff of the censorship branch there are two senior employees from the Post Office Department occupying top positions, and they see to all the requirements, including those I am sure in the mind of the leader of the opposition. I shall take note of what has been asked tonight, and at a later time I shall give as much detail as I can.

Mr. GRAYDON: I believe that answers one of the questions I had in mind. It seemed to me there must be some liaison of some description between the Post Office Department and the department of the minister who has just taken his seat.

Mr. MULOCK: If I did not make it clear before, may I tell the leader of the opposition that a considerable number of our employees are on loan to the Department of National War Services. These are experienced men, lifelong employees of the department.

Mr. GRAYDON: Are those employees seconded from the Post Office Department to the Department of National War Services? Do they now come within the jurisdiction of the Department of National War Services, so that they are no longer connected with the Post Office Department?

Mr. MULOCK: That is correct, for the duration of the war, while they are retained in the Department of National War Services.

Mr. GRAYDON: How many officials have been seconded from the Post Office Department to the Department of National War Services?

Mr. MULOCK: Twenty employees. Does the leader of the opposition want the names?

Mr. GRAYDON: No.

Mr. ADAMSON: The minister said censorship from Great Britain to Canada was done by British authorities. With respect to mail going the other way, namely from Canada to Great Britain, is it done by Canadian authorities?

Mr. MULOCK: Yes.

Mr. HANSELL: While this item is before the committee I should like to say only a few words. I do not believe one letter of my Canadian mail has been opened by any censor; I refer to any letter written to me in Canada. But, while I make that statement, I must protest against any mail addressed to any member of parliament being opened by anyone—a censor, or anyone else. The basis upon which I make that objection is simply this: A member of parliament is elected by his people. Those people had absolute confidence in him, or he would not have been elected.

Mr. GRAYDON: The majority of them had, you mean.

Mr. MULOCK: I would draw the hon. member's attention to the fact that censorship is under the Department of National War Services.

Mr. HANSELL: All right; I shall take it up when the estimates for that department are before the committee. I send this envelope to the Postmaster General, and I want him to tell me by whom it was censored. It is addressed to "E. G. Hansell, M.P., House of Commons, Ottawa, Ontario."

Mr. GRAYDON: Where is it from?

Mr. HANSELL: England.

Mr. MULOCK: My officials advise me this was censored in England.

Mr. HANSELL: Then let me have it back, please. I was going to add that that letter was from my mother. I receive from her letters every few weeks. I have never had a letter from her since the war started which has not been censored—not one.

Item agreed to.

241. Post offices, including salaries and other expenses of headquarters and staff post offices and supplies and equipment for revenue post offices, $18,475,433.

Mr. NICHOLSON: A few minutes ago I mentioned a case which I am afraid is fairly typical. This is about the fourth of its kind brought to my attention in my own constituency. While Endeavour is not a very large place—possibly very few hon. members have ever heard of it—the people who live there are just as important in the life of Canada as the people who live at Ottawa, Toronto or Montreal. Those people make their full contribution in war time as in peace time. Unfortunately the majority of them are not permitted to travel across Canada to learn what contribution Canada

is making in the present conflict. They are able to judge what we do with our money by our administration of post offices.

This is the case of a postmaster who in April, 1942, was found to be $386 short in funds when the inspector came to check the cash. He signed a statement to that effect. This is the statement:

> I hereby acknowledge that the sum of $386 of post office funds has not been accounted for by me as required by statute.
>
> I am sure that, in failing to produce these funds, I have rendered myself liable to prosecution and to such other action as the Postmaster General may find it necessary to take, in order to protect the public interest.

Mr. GRAYDON: Is that a sessional paper?

Mr. NICHOLSON: Yes, a sessional paper which was brought down on February 10. In due course I want the Postmaster General to state what has been done about this man who admits that he is liable to prosecution when he is short public funds to the extent of $386. The inspector did what an inspector should do in a situation like this; he canvassed the field, selected an ex-service man and appointed him as temporary postmaster. The wife of this ex-service man is a graduate of Queen's university, and she was to be assistant postmaster. In due course the inspector advised Ottawa and Ottawa advised the defeated Liberal candidate in that riding, telling him what had happened and asking him what to do about it. That was on April 27.

Mr. MULOCK: Perhaps the hon. gentleman means that he was asked for recommendations, not for instructions.

Mr. NICHOLSON: I will read the letter if the minister wishes. In any event Mr. Barrie, who was the defeated candidate, replied:

> After having given the matter of filling the vacancy at Endeavour, Saskatchewan, full consideration, I am attaching hereto the nomination in favour of Nelson R. McGregor.

Then he goes on to give Mr. McGregor's qualifications, and this gentleman was appointed on August 8. The people of the community were kept in suspense from April until August, but then the local Liberal association got together and wrote a letter to the district superintendent, as follows:

> We kindly ask you to hold us abeyance the appointment of the postmaster at Endeavour and the appointment of Mr. McGregor. We, as association, recognize that Mr. McGregor is not a residence of Endeavour and do not wish him to succeed Mr. Izdebski as postmaster. We are taking this matter up with the Postmaster General at Ottawa.

I am reading this letter as it appears in the official file. Then they passed some resolutions, copies of which were sent to the Postmaster General. It was moved:

> That we recommend Mr. Oscar Clementson to succeed former postmaster Mr. Bolas Izdebski.

Another motion was:

> That the committee wait for Mr. Ross Barry to discuss the matter for Mr. Clementson about the post office.

Another motion was that Mr. Starkes arrange to meet Mr. Ross Barrie; another motion was that the committee circulate a petition for the appointment of Mr. Oscar Clementson as postmaster. Those resolutions were passed on August 14. Eventually Mr. McGregor, who was appointed, wrote to Mr. Underwood on August 22 saying:

> Through unavoidable circumstances arriving since I had made my application as postmaster, I am unable to accept the position.

Then the Post Office Department went to a great deal of trouble. Mr. Hunter, the district superintendent in Saskatoon, who is a very efficient man, was put to the expense and trouble of telephoning long distance to see whether Mr. McGregor was taking the office or just what was going to happen. Then it was necessary for Mr. Underwood to write Mr. Barrie again on August 28 telling him of the trouble and of all the applications that had been received. Finally Mr. Clementson was appointed, about August 31. Then on September 26, after a good deal of local trouble, Mr. Clementson declined the position and on October 8 Mr. Avery found it necessary to write Mr. Barrie regarding the situation.

Mr. GRAYDON: Who represents the constituency now?

Mr. NICHOLSON: I happen to be the member. I want to make it perfectly clear that when I am sitting across the floor of the house as a member of the government we shall not have this sort of thing in the administration of the affairs of the Post Office Department in this country.

Mr. MARTIN: What would you recommend now?

Mr. NICHOLSON: I shall come to that in a few moments. A short time ago I said we should set up a public service commission to administer the affairs of the Post Office Department, so that the hon. member for Essex East, for example, would be relieved of the embarrassment which I am sure he has felt when he has had to recommend one person for appointment and thus antagonize a great

many others. Now here is a personal letter from Mr. Barrie, but since it appears in this file I presume it becomes public. He says:

> This office has been very unfortunate in that I have now nominated two returned men for the position and each have for personal reasons and certain circumstances refused the appointment.

He does not want to make another recommendation. The man who was selected by the inspector in April, had been carrying on throughout the summer without a single complaint; he was a returned soldier, but for some reason which Mr. Barrie does not give here Mr. Sinclair was not appointed. Then on October 15 Mr. Avery wrote a long letter to Mr. Barrie, outlining the situation and saying:

> Mr. Sinclair is a returned soldier who saw service in England, in France and in Belgium during the last war. He has conducted the post office satisfactorily from the 17th April, 1942. He first asked to be relieved of the office on the 31st August, but as the person nominated by you declined it was necessary to ask Mr. Sinclair to carry on for a further period. He again asked definitely to be relieved of the office on the 30th September and again your nominee declined and Mr. Sinclair is still carrying on.

On October 30 Mr. Barrie wrote another letter, in which he said:

> I regret that this matter has been so long delayed and then has to end in this manner but it was unavoidable. I trust that this will allow you to settle this matter at least for the time being, if not permanently.

Then the local branch of the legion found it necessary, on November 27, to send a telegram to the Postmaster General, as follows:

> Present postmaster Sinclair appointment be sustained request of executive committee.

So that Mr. Sinclair, the man who was selected in the first place, finally was appointed on December 18. On January 7, 1943, Mr. Underwood wrote Mr. Barrie as follows:

> Mr. Dugald Patrick Sinclair, returned soldier, was appointed permanently as postmaster at the above office dating from the 18th December.

Mr. GRAYDON: May I ask what was the date of the last letter the hon. gentleman read? That would not be during the war-time period, would it?

Mr. NICHOLSON: It was dated January 7, 1943. The correspondence goes back to April 17, 1942. The point I wish to make is that in this community where there were veterans of the last war residing, we see this state of confusion; we see public funds unaccounted for, and no satisfactory investigation carried on. Two men are recommended, for political reasons, and appointed; their appointments are unsatisfactory to the people of the community, and finally the man selected by the inspector in the first place was appointed. I want to urge, Mr. Chairman, that the present Postmaster General give consideration to removing the Post Office Department from the embarrassment and the waste of time and energy entailed in having to write airmail letters and send communications to defeated Liberal candidates before an appointment can be made to a little country post office. I should like the Postmaster General to tell me now what is his policy in connection with cases like this of the former postmaster at Endeavour, who was short $386. I understand that if a postal clerk here in the city post office is caught to-night taking an envelope with a dollar bill in it, he is liable to a very heavy penalty. It appears, however, that if the individual concerned is the postmaster and takes something over $300, nothing very much happens to him. Will the minister tell me what happened in connection with this defalcation and make some comment on my suggestion as to the possibility of removing these appointments from political patronage?

Mr. MULOCK: From what the hon. member has said I would judge that all the persons concerned with this appointment were returned soldiers.

Mr. NICHOLSON: That is right.

Mr. MULOCK: I would judge also from the statements the hon. member has read that it would be a purely departmental matter.

Mr. NICHOLSON: No.

Mr. MULOCK: I do not think it was referred to me.

Mr. NICHOLSON: The minister received a telegram.

Mr. MULOCK: I received a telegram from the legion. I think it is purely a departmental matter and I would have to take it up with the officials. If my hon. friend had mentioned that he was going to bring up this case, I would have seen the officials in charge of it and tried to obtain the information he requires. He will understand that we have not all the details before us.

Mr. NICHOLSON: I have just given some details taken from the minister's own return.

Mr. MULOCK: The officials who dealt with this matter probably had reasons for taking the action they did. I should like to find out those reasons before I pass them on to the hon. member.

Mr. NICHOLSON: If the officials had any good reason for not making the appointment

it should appear in the evidence. I wish to make it clear that an inspector under the minister's supervision made a selection when he found the postmaster was short. After a delay of six months or so, the man he selected was officially appointed in response to public opinion in the community. Apparently the only difficulty was the fact that the defeated Liberal candidate in the constituency was not willing to recommend on the basis of efficiency, but recommended on some other basis which really did not satisfy even the local Liberal executive.

Mr. ROSS (Moose Jaw): Where did you get that?

Mr. NICHOLSON: I read it in the return. The local Liberal executive was dissatisfied with the first appointment because he was a provincial government inspector. He had been an important factor in the last federal election, but he had left the community to go to another part of the province on provincial government business. He was unsatisfactory to the people in the community for that reason. The Post Office Department did not take any exception to the appointment of Mr. McGregor. As a matter of fact, they appointed him, and the inspector in Saskatoon, as is stated in the return, telephoned long distance to try to locate McGregor to find whether he was going to take the position.

Mr. MULOCK: As I understand it, the hon. member's complaint is that one of the officials of the department wrote to the defeated Liberal candidate to ask him for a recommendation, instead of accepting the man who was put temporarily in charge to carry on the office when the postmaster was removed because there had been a shortage of approximately $388. I understand that the hon. member is referring to the man who was actually appointed eventually. He was recommended in the first place by the post office officials.

Mr. NICHOLSON: Yes.

Mr. MacKENZIE (Lambton-Kent): Was the revenue under $3,000?

Mr. MULOCK: In the neighbourhood of $1,200.

Mr. NICHOLSON: The letter dated May 13 from E. J. Underwood, chief superintendent to J. Ross Barrie, Pelly, Saskatchewan, reads in part:

> Would you be good enough to submit your recommendation, for the consideration of the Postmaster General, on the official form attached.
>
> Male persons of military age are not eligible for appointment, but this restriction does not apply to returned soldiers.

[Mr. Nicholson.]

Mr. MULOCK: What is wrong with that?

Mr. NICHOLSON: Nothing wrong about it except that the whole business was dragged out from April until the first week in January. Instead of acting on the advice of the inspector, the departmental administration wrote to the defeated candidate, who has never been in this chamber, who has never received the endorsation of the people of that community. I submit that the whole business is undemocratic and is not in the best interest of this country at this time. I think the Postmaster General should be prepared to give an undertaking that he will change that.

Mr. MULOCK: Am I to understand that, if in the distant future by some accident or some mischance my hon. friend's party should be on this side of the chamber, his party will not consult their defeated candidates about any appointments?

Mr. NICHOLSON: I wish to make it clear that if the Cooperative Commonwealth Federation cannot get a deputy postmaster general, an assistant deputy postmaster general and a staff of post office officials who can select capable and suitable postmasters and mail carriers, we will fire those who are available and we certainly will not have members of parliament making recommendations as to who will be postmasters, who will be mail clerks and who will be mail carriers. I am shocked to hear the Postmaster General make the admission that it is quite satisfactory to have a defeated candidate who has never been elected cause all this confusion in a community like Endeavour. It has affected the war savings campaign and the victory loan campaign. As I said before, the people judge the administration by what they see in their own back yard, and when this sort of thing goes on it does affect the contributions to other more worthy causes.

Mr. GRAYDON: I listened to the declaration of the leader of the Cooperative Commonwealth Federation, or the deputy leader, or the parliamentary assistant to the leader, as the case may be, but I always treat these declarations as being something that will never come to pass. The hon. member for Mackenzie (Mr. Nicholson) read a rather strange document which appeared in the sessional paper, a document containing an admission of liability to prosecution. Does this document represent the policy of the department? What is meant by an admission of liability to prosecution? Is there any special policy behind that? If a man is liable to prosecution, it seems to me that the department would become an accessory if it took such an admission and then went no farther. After

all, we have our criminal code. I think a serious responsibility rests upon the department to do something more than simply to leave that in the file. Perhaps something more was done in this case, but the sessional paper read by the hon. member does not indicate that.

Mr. MULOCK: Perhaps we can give more particulars when I have had an opportunity of taking this matter up with the officials. I understand that the form referred to has been in use in the department for many years; there is nothing new about it.

Mr. GRAYDON: That makes it all the worse.

Mr. MULOCK: Apparently that has been the established system of the department for many years.

Mr. GRAYDON: I do not care if it has been in use for fifty years. There is no reason to condone such a practice even though it is a long established usage. This is the kind of thing we ought to reform, and I think the minister would be well advised to give consideration to the position the department is in with respect to the matter.

Mr. MULOCK: That is being considered at the present time.

Mr. GRAYDON: I am glad because it is a serious matter.

Mr. NICHOLSON: The statement I read appears at page 125 of Sessional paper 159. Will the minister state when his estimates are next before the committee, what has been done in this matter since Mr. B. Izdebski signed this statement on April 17, 1942?

Mr. MULOCK: I think I have made it clear that I shall inquire from the officials, and as soon as I hear from them I shall certainly make a statement.

Item stands.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Monday, June 21, 1943

The house met at three o'clock.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

*NATIONAL FLAG

Mr. LaCROIX (Quebec-Montmorency):

1. Is the union jack, national flag of England, also the national flag of Canada?

2. If so, is the Canadian government taking measures so that Canada may possess a separate national flag?

Mr. MACKENZIE KING: Mr. Speaker, I feel I should direct the attention of the hon. member to the wording of his question. It is not so worded as to permit of its being placed on the order paper; nor do I think it is worded in accordance wth what the hon. member himself has in mind. The first part of his question is:

Is the union jack, national flag of England, also the national flag of Canada?

In these words is an assertion that the union jack is the national flag of England. This assertion is not correct. Apart from this, questions on the order paper are not supposed to be placed there for the purpose of making statements or allegations but for the sake of acquiring information. A Scotsman might take exception to the union jack being regarded as the national flag of England—

Mr. REID: We do.

Mr. MACKENZIE KING: As a matter of fact, it is the flag of the United Kingdom of Great Britain and Northern Ireland. I am not doing more than pointing out that circumstance to the hon. member who has asked the question.

The second part of his question reads:

If so, is the Canadian government taking measures so that Canada may possess a separate national flag?

I assume that the word "separate" is not intended to have an invidious significance; it is rather a distinctive national flag I assume the hon. member has in mind. I mention this point because I feel that any attempt to raise a controversial issue over the question of a flag at this particular time would not be calculated to be helpful to the war effort of our country. It is I think desirable not to raise controversy but as far as possible to avoid unnecessary controversy with respect to all matters, whether in relation to the answering of questions or, speaking generally, to any other subject that may come up in the house. However, I do not wish to avoid giving an answer to the hon. member which I think will provide the information that the country will wish to have, and which should leave the matter in a position that at least for the present ought to be satisfactory.

A national flag is one which normally is used by a single nation only, and which is used to distinguish that nation from others at international gatherings and to serve as a symbol of it. The red ensign, with the union jack in the first quarter next to the staff, and the Canadian coat of arms in the fly has for

over seventy years been very generally used in situations where a flag specially distinctive of Canada was essential. It was first authorized by the government of Sir John A. Macdonald shortly after confederation for use on Canadian merchant vessels. Its use as a distinctive emblem on all buildings owned or occupied by the Canadian government and situated outside Canada was authorized by order in council on January 26, 1924. It has been popularly accepted as a flag distinctive of Canada.

The union jack, while not a flag distinctive of Canada, may correctly be flown on land in any part of His Majesty's domains.

I question whether this would be a suitable time at which to have parliament determine which particular flag—the union jack, the red ensign or some other flag to be specially designed—should be declared to be the national flag of Canada.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CARP, ONT., AIRPORT

Mr. BOUCHER:

1. How many acres of land were purchased for the airport at Carp, Ontario?
2. What price was paid for each parcel of land?
3. How many acres were in each parcel, and from what persons were each of the parcels purchased?
4. Was the price calculated on a per acreage basis separate from any buildings?
5. If so, what price, or prices, were paid per acre?
6. What prices were paid for buildings?

SUPERINTENDENT OF PENITENTIARIES

Mr. NICHOLSON:

1. Who is the superintendent of federal penitentiaries in Canada?
2. What are his qualifications for this position?
3. Who are the inspectors of the federal penitentiaries in Canada?
4. What are their qualifications for their positions?

Mr. ST. LAURENT: Return tabled.

Mr. HANSON (York-Sunbury): We have not succeeded in obtaining much information from the government as a result of these questions. I am wondering why it was made an order for return and tabled when it applies only to one department and the answer must of necessity be very brief. I raise this as a matter of principle.

Mr. ST. LAURENT: If the hon. member will read the question I think he will find it requires a full and truthful answer; that is what was prepared in the department, and it covers four typewritten sheets. That was why I asked that it be made an order for return and tabled instead of being printed in *Hansard*. I sent the hon. member who asked the question a copy of the return. It requires almost a page for the description of the qualifications of each of the officers enumerated. That was the only reason why it was made an order for return.

[Mr. Mackenzie King.]

ONTARIO CONTRACTS FOR TIRES

Mr. FRASER (Peterborough West):

1. Does the government call tenders for the supply of tires used by cars, trucks and other vehicles used by the defence departments in Canada?
2. If so, what firms have contracts in Ontario to supply and service these vehicles?

COLONEL BELCHER HOSPITAL, CALGARY

Mr. BENCE:

1. Is there a building in the city of Calgary known as "The Colonel Belcher Hospital" occupied as a hospital by any department of the government?
2. If so, what is the name of such department?
3. For what purpose is the said hospital used?
4. How long has it been occupied by the said department?
5. What officer of the department is in charge of the said hospital?
6. What is the size of the hospital building?
7. What is the extent of the grounds belonging to and surrounding the hospital?
8. Are such grounds sufficient to enable patients to take suitable exercise and recreation therein?
9. How much accommodation does the hospital provide?
10. Is there a railway line near the said hospital?
11. How close is such railway line to the hospital building?
12. What is the average number of times that a train passes the said hospital on the said line each day?
13. What additions or alterations have been made to the said hospital within the space of the last three years, and what additions or alterations does the government contemplate making?
14. What do such additions or alterations, and/or contemplated additions and alterations consist of?
15. When was this building first used as a hospital?
16. What was it used for prior to it being converted into a hospital?
17. What is the size of, (a) the medical staff; (b) the nursing staff, in the said hospital?

CANADIAN ARMY—OFFICERS RETIRED

Mr. ISNOR:

1. How many army officers above the rank of lieutenant have been retired in the period from, (a) January 1, 1942, to December 31, 1942; (b) January 1, 1943, to May 31, 1943?
2. How many of the retired officers receive pensions or retiring allowances?
3. What number of officers in each rank have been retired, and what amount of pension or retiring allowance, or both, has been paid them?

CHRISTIE STREET HOSPITAL TORONTO

Mr. BRUCE:

1. Was Christie street hospital established in what was formerly a factory building in the city of Toronto?
2. What amount of ground is available for patients?
3. Was the construction of the building of such a character as to lend itself to conversion into a hospital?
4. What was the cost of transforming this building into a hospital?
5. Have any additions to the hospital been built on this site?
6. If so, how many, and at what cost?
7. How near does the railway line run to the northerly boundary of the hospital site?
8. Are there any factories in the neighbourhood?
9. In what proximity is the nearest factory to the hospital?
10. Does the government consider this a suitable site for a hospital for our returned men?
11. Has any protest been received by the government from veterans' organizations in opposition to the use of this site for an additional building?
12. Has the government considered another more suitable site for the hospital?
13. Have any complaints been received by the government as to the unsuitablity of Christie street hospital for the purpose for which it is now being used?
14. On whose recommendation was it decided to attach this new wing to the present Christie street hospital?
15. How many beds are provided in the present building?
16. How many additional beds will be provided by the new wing?
17. Is provision being made in the new wing for, (a) operating rooms, and if so, how many; (b) an X-ray department; (c) pathological laboratories?

FEES FOR LEGAL SERVICES

Mr. DIEFENBAKER:

What legal counsel or solicitors in Manitoba, Saskatchewan, Alberta, have received payment for legal services rendered to the federal government, and what sum has been paid to each during each of the years 1940, 1941 and 1942?

PURCHASE OR LEASE OF PROPERTIES AT HALIFAX AND DARTMOUTH

Mr. BLACK (Cumberland):

1. What properties have been purchased or leased at Halifax and Dartmouth, Nova Scotia, by the government since the beginning of the war?
2. From whom were such properties purchased or leased, and what was, (a) purchase price; (b) yearly rental; (c) legal and agents cost, and to whom payable?
3. What has been the cost to date of repairs and improvements to each such property, and estimate to complete?
4. What is the name of contractor and amount of tenders for each property?
5. Where work is done by government, what are the names of foremen in charge, and number of men employed on each property?
6. What is the cost of furnishings, equipment and supplies for each such property?

PENSIONS AND NATIONAL HEALTH—HOSPITALS

Mr. HANSELL:

1. How many hospitals are operated in Canada by the Department of Pensions and National Health, and where is each hospital located?
2. What is the total bed capacity of each hospital?
3. What is the approximate number of pensioners of world war No. 1 now being cared for in these hospitals?

INTERNMENTS—RELEASES

Mr. ROSS (Souris):

1. How many internees have been released in Canada?
2. How many of these, if any, are employed by the government?
3. What are their duties?
4. How much are they paid?
5. Are any of them employed in censor work?

COLIN MACKENZIE

Mr. GILLIS:

1. Is Colin MacKenzie, of Sydney, N.S., in the employ of the government? If so, in what capacity is he employed?
2. Since when has be been employed?
3. Is he employed at a fixed salary?
4. What sums were paid him for his services during each of the years 1939-40-41-42-43, and for what particular service?
5. Has he been retained for service by the Exchequer Court of Canada?
6. What amounts have been paid him for such service in the exchequer court during the last five years?

INTERNATIONAL NICKEL COMPANY—PATENT RIGHTS—FALCONBRIDGE NICKEL COMPANY

Mr. KNOWLES:

1. Have any patent rights licensed by the government, or any department or branch thereof, to the International Nickel Company, expired? If so, on what date or dates?
2. If the above-noted company has any unexpired patent licences, when will they expire?
3. Have any patent rights been licensed to the Falconbridge Nickel Company? If so, what processes are covered by the same?
4. Has any capital assistance been provided by the government to the Falconbridge Nickel Company since the outbreak of the present war?
5. Have any special depreciation allowances been granted to the Falconbridge Nickel Company since the outbreak of the present war?
6. Are there any known deposits of nickel in Manitoba? If so, where are they located, and who owns the same?

HONEY CONSUMPTION

Mr. COLDWELL:

1. What was the average monthly consumption of honey during the last fiscal year, 1942-1943, for, (a) households; (b) canning factories; (c) wineries; (d) breweries and distilleries; (e) soft drink manufacturers; (f) candy manufacturers; (g) ice cream?
2. What is the estimated consumption of honey in each of the above classifications for the fiscal year 1943-1944?

MOBILIZATION ACT—CONSCIENTIOUS OBJECTORS

Mr. HANSELL:

1. How many men, claiming to be conscientious objectors, have been called by the mobilization board in each of the provinces of Canada?

2. How many of these men in each province have been given postponements, and how many have been interned or sent to work camps?

SUGAR CONSUMPTION

Mr. NICHOLSON:

1. What was the total amount of sugar consumed in Canada during each of the past five years?

2. What percentage of this amount was, (a) produced in Canada; (b) imported?

3. What is the estimated consumption for 1943?

4. What percentage of this amount will be, (a) produced in Canada; (b) imported?

5. What are the possibilities of increasing Canadian production in 1944?

MOTIONS FOR PAPERS

STEEP ROCK IRON MINES LIMITED

Mr. NOSEWORTHY:

For a copy of all orders in council, agreements, letters, telegrams, memoranda and other documents in the possession of the government or any branch thereof, relating to the Steep Rock Iron Mines Limited, or any official or employee of that firm.

SELECTIVE SERVICE—COAL MINING INDUSTRY ADVISORY COMMITTEE

Mr. MacKINNON (Kootenay East):

For a copy of all letters, telegrams, correspondence and other communications which passed between J. Stokaluk, vice-president, district 18 United Mine Workers of America, and the minister or deputy minister of labour, or any official of the said department, relating to the coal mining industry advisory committee of national selective service.

MILITARY SERVICE—POSTPONEMENTS TO FARMERS AND FARM WORKERS

Mr. DORION:

For a copy of all correspondence, telegrams and other documents, dated during the twelve-month period to June 10, 1943, addressed to the government by any provincial government, public corporation or professional body, regarding the postponement from military service of those engaged in the farm industry.

Mr. MITCHELL: Subject to the reservation with respect to privileged documents.

OLD AGE PENSIONS

Mr. REID:

For a copy of all letters, telegrams, correspondence and other documents passing between any provincial government or official thereof and the dominion government, from January, 1941 to the 16th June, 1943, regarding proposed amendments or changes to the Old Age Pensions Act or the amount of pension granted.

[Mr. Coldwell.]

Mr. ILSLEY: I have no objection to this passing, but the practice is to consult the provincial governments as to whether they are willing to have certain of their communications laid on the table of the house. There is no objection to putting on the table any of the rest.

Mr. REID: I simply point out that the other day the member for Mackenzie (Mr. Nicholson) had a question regarding Saskatchewan and it passed without any such provision.

Motion agreed to.

BUSINESS OF THE HOUSE

WEDNESDAY EVENING SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on Wednesday, the 23rd day of June, 1943, and all subsequent Wednesdays until the end of the session, the sittings shall in every respect be under the same rules as provided for other days.

Motion agreed to.

LEGATIONS

PRESS REPORT AS TO APPOINTMENT OF TURKISH MINISTER TO CANADA

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I direct the following question to the Prime Minister. Reports from Ankara, Turkey, indicate that the Turkish government intends to appoint a minister to Canada. When this announcement was made over the week-end, a spokesman for the Secretary of State is alleged to have told the press that the appointment by Canada of a minister to Turkey was not under active consideration here and that such an appointment was not immediately practicable.

I should be glad if the Prime Minister would amplify the above statement which is alleged to have been made by one of the government officials.

Right Hon. W. L. MACKENZIE KING (Prime Minister): My hon. friend was kind enough to send me a copy of his question. As I read the last part of it I thought the question was whether the Prime Minister would simplify the matter a bit—

Mr. GRAYDON: I have no objection if the Prime Minister wants to do that too.

Mr. MACKENZIE KING: Probably I can do both in the following reply. I have no information whatever about press reports that the Turkish government desires to appoint a minister to Canada. Neither, I am sure, had the so-called "spokesman for the Secretary of State" to whom the comment in question was attributed.

Mr. McLARTY: My hon. friend's remark doubtless refers to the Secretary of State for External Affairs. No official of the department of the Secretary of State would comment on such a matter.

Mr. GRAYDON: I rather fancied that would be the answer, but the press report said "the Secretary of State," and I was anxious to find out, because I am always jealous of the Prime Minister's rights in these things and I thought it was time to call a halt in matters of this kind.

LABOUR CONDITIONS

GLACE BAY GLORY CAFE—DISPUTE BETWEEN MANAGEMENT AND EMPLOYEES

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Will the Minister of Labour inform the house as to what steps have been taken to settle the dispute between the management of the Glace Bay Glory cafe and its employees?

Hon. HUMPHREY MITCHELL (Minister of Labour): The attention of the federal Department of Labour was drawn to the dispute to which the hon. member refers. An official of my department happened to be in Sydney on the day in question and we got in touch with him. There were twelve waitresses involved in the dispute. Some have already gone back to work. It was agreed by the union and conciliation officials of the federal Department of Labour that the dispute came within the jurisdiction of the provincial government and the matter was left at that. The provincial authorities, I understand, are trying to reach a settlement.

THE COMMUNIST PARTY

HOLDING OF A NATIONAL CONVENTION

On the orders of the day:

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Speaker, I should like to put a question to the hon. Minister of Justice (Mr. St. Laurent). In view of the fact that the communist party has been banned in Canada, will the minister allow that party to hold a national convention on August 21 and 22 next, as announced by the headquarters of the organization?

Hon. L. S. ST. LAURENT (Minister of Justice) (Translation): Mr. Speaker, I was just about to reply to the question put by the hon. member in my absence last Wednesday and which was couched in terms somewhat different from those he used this afternoon. I quote:

> Even though the communist party has been banned by the Minister of Justice, has the minister authorized or will he permit the holding of a national convention by that party on August 21 and 22 next?

The form of the question conferred on the Minister of Justice jurisdiction and authority which he does not enjoy and which he does not intend to assume. The Canadian communist party was declared an illegal organization by authority of the defence of Canada regulations, and the Minister of Justice has but to apply and carry out the existing regulations. I might add that these regulations have twice been submitted to the hon. members of the house for examination, and from what I have learned, they were approved and concurred in by the house.

Now, the Minister of Justice has not authorized and cannot allow any organization declared illegal under the defence of Canada regulations to hold a convention or to do anything within the limits of the law.

I think that the hon. member's question was prompted by a news item which appeared in certain newspapers stating that people who had belonged or who still belonged to the group known as the Canadian communist party had announced that they intended to meet—towards the end of August, I believe—for the purpose of laying the foundations of a new political organization. Evidently, the Minister of Justice cannot prevent Canadian citizens from calling or holding a meeting for legal purposes. If those who formerly belonged to the communist party, recognizing that the Canadian communist party is banned, now wish to form another group whose constitution, object and actions are not contrary to the provisions of the law, it does not concern the Minister of Justice. If, however, the party were formed with the intention of operating in a manner declared illegal by section 133 of the criminal code, it would be the duty of the attorney-general of each province, on the strength of the responsibility vested in him by the constitution, to prosecute them, and if prosecution seemed to depend on intervention by the Department of Justice, it would not hesitate to

intervene. I should like to recall that, according to section 133, a seditious intention is made manifest by the publication of a document of some kind encouraging, or by otherwise encouraging the use of violence to bring about a change in the set-up of the government of the country. If anyone should attempt to form a group for the purpose of preaching such ideas, there is not the shadow of a doubt that someone would bring to bear upon it the provisions of the criminal code.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Thursday, June 17, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

MUNITIONS AND SUPPLY

2. Cargo vessels—operated by Park Steamship Ltd., $45,000,000.

Mr. HANSON (York-Sunbury): Before the minister of munitions proceeds, with the permission of the committee I should like to direct to the Minister of National Defence for Naval Services (Mr. Macdonald) a question which he might treat as a notice of motion and bring down the reply before the resolution is carried. I should like to know how many officers there are in the Royal Canadian Navy with the rank of commodore and above. I am told that the rank of commodore in the navy is equivalent to the rank of brigadier in the army. I undertook to get this information from such records as were available to me, but I was not able to compile it. I should like to know if the number of those in the Royal Canadian Navy with the rank of commodore and above is greater comparatively speaking than the number of the same high ranking officers in the Royal Navy. I am told that the number of these high ranking officers in our navy is out of all proportion to the total personnel and when compared with the Royal Navy or the United States navy.

Mr. MACDONALD (Kingston City): I shall have to look into the latter part of my hon. friend's question in order to bring my information down to date. About a year ago the same question arose and after some study I was satisfied that the proportion of high ranking officers in our navy was relatively less than the number in the British navy or the Australian navy. There are seven officers in the Royal Canadian Navy of the rank of commodore or above.

Mr. HANSON (York-Sunbury): Is that just at headquarters, or is it the total staff?

Mr. MACDONALD (Kingston City): That is the total for the Canadian navy.

Mr. HANSON (York-Sunbury): I am going to check on that. I do not believe it, to be candid.

Mr. COLDWELL: Last week the Minister of Munitions and Supply promised to table certain agreements with the Aluminum company. Is he prepared to do that? Could he also give us information as to the adjusted prices of the aluminum we are buying and what we have paid at various periods since the contract was entered into?

Hon. C. D. HOWE (Minister of Munitions and Supply): I am sorry I cannot table the contract between the Canadian government and the Aluminum Company of Canada because there never has been such a contract. The aluminum is bought by our contractors from the company at a price that has been agreed to by the department and the Aluminum company. The government as such has never bought aluminum from the Aluminum Company of Canada, and therefore there is no agreement.

Mr. COLDWELL: What about the prices?

Mr. HOWE: I can give you the prices.

Mr. COLDWELL: The minister said last week that we were paying two cents a pound more than the base price.

Mr. HOWE: The escalator clause for the first quarter of 1942 provided for two cents per pound to all countries; the escalator clause for the second quarter of 1942 provided for three cents a pound; for the third quarter, four cents a pound; for the fourth quarter, four and a half cents a pound and, for the first quarter of 1943, five and a half cents a pound.

Mr. COLDWELL: As I understand it the base price is fifteen cents a pound, Canadian funds, and that to-day we are paying twenty and a half cents a pound.

Mr. HOWE: That is right, except that fifteen cents is United States funds. The base price in Canadian funds is sixteen cents per pound.

Mr. COLDWELL: What does the minister mean by escalator clauses if there is no contract?

Mr. HOWE: The escalator clauses apply to the United States and British contracts. They represent the difference in production costs between the basic period—my hon. friend will ask me when the basic period was, but I do not remember; I think it was 1940, and I shall be glad to look it up—and the particular quarter. The amount of escalation represents the differential in the cost of three items, labour, power and transportation.

Mr. COLDWELL: Is insurance included?

Mr. HOWE: Insurance on transportation, but insurance on plant in Canada would not be an item. Insurance costs bears heavily upon the cost of transportation.

Mr. COLDWELL: I understood that there were four items in the United States contract.

Mr. HOWE: Perhaps there are. I do not remember what the fourth would be, but I know that labour, power and transportation are the three principal items. There may be a fourth, but it would have only a minor effect. There has been a tremendous increase recently in the cost of transportation. Ships used to come direct from British Guiana to the Saguenay, but now water shipment is limited to a port in the United States, it may be New Orleans, New York or Portland, Maine, and then the cargo is shipped by rail to the Saguenay. Transportation cost has gone up steadily in recent years.

Mr. COLDWELL: The minister said that the escalator clause to which he referred was in the United States and British contracts. Is the agreement with regard to the price of aluminum governed by the United States and British contracts? If so, does the clause in the United States contract which refers to prices apply to Canadian contracts?

Mr. HOWE: Our contract is for fabricated aluminum, and the price of fabricated aluminum has not been made subject to the escalator clause. It was agreed on some time ago and still stands for our customers. It happens to be the lowest price at which anybody is buying fabricated aluminum in any part of the globe. I think it is lower than the price at which fabricated aluminum is sold in the United States. By fabricated aluminum I mean aluminum sheets, extrusions and aluminum in the form in which it goes into an aeroplane.

Mr. COLDWELL: Then do I understand that we buy only fabricated aluminum?

Mr. HOWE: I would not say "only". By "we" I mean the Canadian contractors; I do not mean the Canadian government. I would say that ninety-five per cent of the aluminum our contractors buy is in the form of fabricated aluminum.

Mr. COLDWELL: Where does the escalator clause come in with regard to fabricated aluminum? The minister quoted a price of five and a half cents a pound over the base price. Would that apply to virgin aluminum?

Mr. HOWE: That is for aluminum ingots.

Mr. COLDWELL: Our contractors are buying sheet aluminum?

Mr. HOWE: That is right.

Mr. COLDWELL: And the price of sheet aluminum would be the base price plus five and a half cents?

Mr. HOWE: No. Our purchases are not large, comparatively speaking. I think I can speak with some authority because I went into this matter a short time ago. Our prices have never been made subject to the escalator clause; that is, the prices of fabricated aluminum in Canada have not been made subject to the escalator clause. The escalator clause is written into the contract for ingot aluminum with the United States, Great Britain and Australia. I happen to know of these contracts, because at the moment I am agent for the British government in the carrying out of their contract and it is my duty to check with the auditors. The aluminum is sold to Canadian manufacturers at a price which was agreed upon some time ago and which has never been changed. I assume this is so because in relation to the amount of aluminum sold by the Aluminum company it is not an important matter. So far as I know, there has been no application made to change that price in the last year.

Mr. COLDWELL: Is that a price per pound, or a price per square foot?

Mr. HOWE: Per pound.

Mr. COLDWELL: What is the price per pound of the sheet aluminum?

Mr. HOWE: I shall be glad to get that.

Mr. HANSON (York-Sunbury): We have had some information about these aluminum contracts and I do not rise for the purpose of interfering with the cross-examination of my hon. friend, but in an effort to elucidate the situation if I can. The minister has made certain things very clear. The Canadian government as such does not contract with the

Aluminum company for any production at all, but certain Canadian consumers are buying sheet aluminum from the company. As agent for the British government the minister has a great deal to do with these contracts for the British government. He is their agent; he has told us that. What I want to know is this. With the huge increase in production and consumption the basic unit price has remained more or less constant.

Mr. HOWE: Not at all.

Mr. HANSON (York-Sunbury): Hold on, now; the basic unit price has remained at about 15 cents, according to my understanding.

Mr. HOWE: What was it at the beginning of the war?

Mr. HANSON (York-Sunbury): At the beginning of the war—

Mr. HOWE: It was 21½ cents.

Mr. HANSON (York-Sunbury): Oh, yes; less an adjustment made at that time.

Mr. HOWE: The price of aluminum has been reduced with every contract renewal that has been made.

Mr. HANSON (York-Sunbury): Then let us have that information. That is not my understanding, from the remarks of the minister. Now would the minister allow me to proceed?

Mr. HOWE: Just let me correct this, because I do not like these statements going out all over Canada without being corrected. The cost of aluminum to Canada and her allies has decreased steadily. It was 20 cents in 1940 and 18½ cents in 1941, and it has been 16 cents since July, 1942. That is in Canadian funds.

Mr. HANSON (York-Sunbury): All right; I am prepared to accept the minister's statement, because he has the facts and I am looking for information. The minister should tell this committee what was the production of the plant prior to 1940; what was the unit price, and what was the unit cost of production prior to the fixing of the price in that year. Then he should tell the committee what the production is now and what the unit cost of production is now. It is my understanding that the production has increased by many times what it was in peace time, and of necessity the cost per unit must have fallen to a very considerable extent. Yet the price has decreased only to the figure just mentioned by the minister, 16 cents, plus whatever increase might be allowed under the escalator clause. I am quite prepared to accept the minister's statement in regard to the increased cost of production being added to the base price, because anyone who has made a study of the situation knows what the minister said in regard to the increased cost of transportation is in principle absolutely correct. They can no longer transport the bauxite direct from British Guiana to Arvida, as was done before the war; it must come in with a long rail haul from the gulf ports, and that circumstance must have added a substantial amount to the cost of production. But I should like the minister to make clear to the committee and to the country—and I think it would be to the advantage of the Aluminum company—what was the unit cost of production per ton or per pound or whatever unit you wish to use, prior to the war. If the facts are as the minister suggests, he should make this clear to the country. This information must be available to the Department of Munitions and Supply. Then he should state what is the unit cost to-day. I am told that to-day the unit cost is in the vicinity of 5 cents, plus these extras which come under the escalator clause.

Mr. HOWE: Why would my hon. friend make a statement like that? He knows nothing whatever about it, and I can tell him that that is wholly untrue.

Mr. HANSON (York-Sunbury): The minister need not get hot under the collar; if I am wrong he can correct me, but it seems reasonable to me, as it must seem to any business man who makes any study of it, that if you have a unit cost pre-war of x dollars and you increase your production by millions of pounds above the pre-war level, the unit cost of necessity must come down. That is what I think the country would like to have some information about.

Mr. ROSS (Moose Jaw): It must be different from anything else in a war, then.

Mr. HANSON (York-Sunbury): I have not a very great knowledge of economics, but I do know that if you produce things on a mass production basis, as compared with a small, peace-time basis, the unit cost ought to fall. That is true in other classes of production, even though the cost of labour has gone up; and the increased cost of labour is taken care of in the escalator clause. All these increased costs are taken care of in the 5½ per cent; the minister made that abundantly clear. I am not blaming him for it; I think he should not—I was going to say he should not lose his temper. He did not do that, but he rather quarrelled with the position I was trying to elucidate, by indicating that I was talking nonsense. I am not

talking nonsense; I am asking pertinent questions for the purpose of elucidating the situation.

Mr. SLAGHT: You are quoting figures which are not correct.

Mr. HANSON (York-Sunbury): I beg the hon. member's pardon; I do not know what he knows about it, but perhaps he will correct us all.

Mr. SLAGHT: Will you assert that your statement is true?

Mr. HANSON (York-Sunbury): No, I do not know. I have been told, and I am asking the minister for the purpose of obtaining information. I suggest to the hon. member for Parry Sound that I am quite within my rights in doing so; that it is quite a proper thing to do, and that I should not be scolded by him or anyone else for doing so.

Mr. SLAGHT: What I object to is the hon. gentleman putting the statement on record and into the press that he understands 5 cents is the cost.

Mr. HANSON (York-Sunbury): Yes, that is my understanding.

Mr. SLAGHT: The hon. member is quite in error. He may get that information from fishwives' tales or something, but figures should not be stated in this house unless there is some reason to believe their accuracy.

Mr. HANSON (York-Sunbury): Well, that is all right; the hon. member has come to the rescue of the minister but I do not think the minister needs any help. He will be able to give us the exact figures and I shall be quite satisfied. I am prepared to accept the minister's statement, but I want an authoritative figure. I think we should have the cost per unit over this period of time together with the pre-war price, the basic price and to-day's price based on the escalator clause. That is a reasonable request. If the unit cost has remained constant in these three years of huge increase in production, then let us know that. I cannot conceive that this should be the case. Anyone engaged in a manufacturing industry knows that if you double, treble, quadruple or multiply your production by one hundred, your unit cost automatically should come down. The minister must have the figures from the chartered accountants or the cost accountants, or some authority, to show just what that position is; and if the minister is prepared to tell me that the price to-day is based on a constant cost price, I am prepared to accept his statement, but I do think the public should have that information. I am not one of those who joined in the hue and cry against the Aluminum Company of Canada for political purposes.

An hon. MEMBER: Oh, no.

Mr. HANSON (York-Sunbury): No, I have not, though I think that is one of the main objectives of the hon. gentleman who brought forward this matter.

Mr. COLDWELL: I rise to a point of order. The hon. gentleman has no right to impute a motive of that sort to me because I brought this important matter before the house. I may say that there was no political motive behind this.

Some hon. MEMBERS: Oh, oh.

Mr. COLDWELL: There was an endeavour to serve the best interest of this country which, as I have said before, I think has been sold down the river.

Mr. HANSON (York-Sunbury): I do not quite appreciate what the point of order is.

Mr. ROSS (Moose Jaw): I would rise to another point of order. This item was passed the last time we considered these estimates, and we are now supposed to be dealing with cargo vessels.

Mr. COLDWELL: What is your ruling on the point of order, Mr. Chairman?

The CHAIRMAN: If the hon. member for York-Sunbury wishes to speak on the point of order he has the right to do so.

Mr. HANSON (York-Sunbury): I do not think it is out of order to suggest that a topic was brought up here by the leader of a political party and to say that it was done for political purposes. I do not think that is any reflection on him at all; he would be asleep at the switch if he was trying to make political capital to-day. What was he doing yesterday, the sabbath day, in Montreal, if he was not trying to make political capital; and what was he doing the day before?

Mr. COLDWELL: I rise to a question of privilege. I was not in Montreal on the sabbath day; I was here in Ottawa the entire day. I left the meetings Saturday night.

Mr. HANSON (York-Sunbury): Then his friends were desecrating the sabbath day by holding a political convention yesterday in Montreal. I accept the hon. member's statement, absolutely, that he was not in Montreal yesterday; and I respect him much for it. But I do suggest to you, Mr. Chairman, that it is not out of order to suggest that a political

party is raising an issue for political purposes. And I just wish to say that I do not join in the hue and cry against the Aluminum company, notwithstanding the fact that I recognize, as I think most of us recognize, that it is one of the greatest monopolies in the world, and that it has come to Canada—I think we will all agree with this—it has come to Canada, notwithstanding the championship of the minister, to escape in a degree the jurisdiction of the United States courts.

Mr. COLDWELL: Mr. Chairman, what is your ruling on the point of order? The hon. member has concluded his discussion of it.

The CHAIRMAN: On the point of order raised by the hon. member for Rosetown-Biggar (Mr. Coldwell) may I say that I understood the hon. member for York-Sunbury (Mr. Hanson) had accepted the statement of the hon member for Rosetown-Biggar relating to a personal statement.

Mr. COLDWELL: No, I did not hear him say that. I did not hear him withdraw it.

The CHAIRMAN: That is what I heard, if I heard it correctly I thought the hon. member for York-Sunbury had accepted it.

Mr. COLDWELL: I did not hear that.

The CHAIRMAN: That there was no ulterior motive so far as the hon. member for Rosetown-Biggar was concerned.

Mr. COLDWELL: If the hon. member rises and says he withdraws that imputation, that ends it.

The CHAIRMAN: That is what I heard.

Mr. HANSON (York-Sunbury): The basis of my statement was a broadcast statement by a member of this organization, that this was the greatest issue before the Canadian people to-day, and that they were raising it. I am not withdrawing that part of it.

Mr. COLDWELL: That is a different thing.

Mr. HANSON (York-Sunbury): If I am out of order the chairman will rule me out of order, and I will accept his ruling. But until he does, may I say I am not imputing any dishonest or improper motives at all, and that is the basis of the rule. To say that a man brings forward an item for the consideration of the House of Commons, parliament and the country, and is doing it for political purposes, is not imputing any improper or dishonest motive.

Mr. COLDWELL: Yes, it is.

Mr. HANSON (York-Sunbury): It is quite a proper motive.

[Mr. R. B. Hanson.]

Mr. COLDWELL: What is your ruling, Mr. Chairman?

Mr. REID: Before you give your ruling, Mr. Chairman, I think the house should be asked to say what are political motives. What is the definition of a "political motive"?

The CHAIRMAN: On the point of order, I think the point was well taken by the hon. member for Rosetown-Biggar, originally, if there was any motive imputed in the statement made in the House of Commons with respect to the hon. member's actions. But when it comes to be applied to a whole party, then there is no ulterior motive, and there is no point of order.

Mr. COLDWELL: I am referring to myself.

The CHAIRMAN: Then there was a point of order in that reference, and I understand the hon. member for York-Sunbury has accepted the statement of the hon. member for Rosetown-Biggar and has withdrawn that particular statement.

Mr. COLDWELL: But he has not withdrawn it yet.

Mr. ROSS (Moose Jaw): What is your complaint?

Mr. COLDWELL: My complaint is that the hon. member for York-Sunbury said that the leader of this group had introduced this matter of the Aluminum company for political purposes.

Mr. ROSS (Moose Jaw): Is there anything wrong with that?

Mr. COLDWELL: I am asking the hon. member to withdraw the imputation. The hon. member for Moose Jaw asked if there is anything wrong with it. Of course there is something wrong. The hon. member is imputing motives to me which are not proper motives—that it was done purely for political motives.

Mr. GRAYDON: Are you going out of politics?

Mr. COLDWELL: I deny that I did that.

Mr. REID: Perhaps the hon. member for Rosetown-Biggar will agree that it will have that effect.

Mr. HANSON (York-Sunbury): To settle this matter I shall be glad to withdraw that remark with respect to the hon. member for Rosetown-Biggar himself, personally; but I will assert that the political party of which he is the leader has brought forward this topic for political purposes, and for no other purpose.

Mr. COLDWELL: Mr. Chairman, may I point this out, that the political party of which I am leader did not bring this forward in the House of Commons; the hon. member for Rosetown-Biggar did. I ask the hon. member to withdraw the imputation, so far as the bringing forward of this matter by me is concerned, and to withdraw unreservedly.

Mr. HANSON (York-Sunbury): I do not intend to do anything of the kind unless I have to. And I intend to assert that the socialist party in this House of Commons, led by the hon. member for Rosetown-Biggar, has brought forward this attack on the Aluminum Company of Canada for political purposes, and for no other purposes. And I put myself in the judgment of hon. members when I say that.

Mr. COLDWELL: I say that the party of which I am the leader, through me, brought this forward, if you like, purely in the public interest.

Mr. HANSON (York-Sunbury): Oh, oh.

Mr. COLDWELL: Yes, in the public interest.

Mr. ROSS (Moose Jaw): Is that political?

Mr. COLDWELL: And I say that the accusation made by the hon. member for York-Sunbury should be withdrawn, under the rules of the house.

Mr. HANSON (York-Sunbury): No, no; I want to answer that point of order. It is a fundamental principle of the law of defamation that you cannot defame a political party. You may defame an individual, but you cannot defame a political party.

Mr. COLDWELL: That may be true of the Progressive Conservative party.

Mr. HANSON (York-Sunbury): I put myself in the judgment of hon. members of the house when I say it is not defamatory to impute dishonest motives to a political party. If we did, the courts would be full of cases of that kind. But of course it is defamatory to impute dishonest motives to an individual. Surely we have discussed that far enough; I shall now return to the other matters—

Mr. COLDWELL: May we have a ruling?

Mr. McGEER: If I understand the point raised by the hon. member for Rosetown-Biggar it is that he feels it to be an offence to bring a matter into the house for political purposes.

Mr. COLDWELL: Purely for political purposes.

Mr. McGEER: All right, purely for political purposes. I have always understood politics to mean the business of the nation—the public's business. I have always understood that members of the house are here for political purposes.

Mr. COLDWELL: But that was not the meaning given to it.

Mr. McGEER: That is a different thing altogether. We have been rather loose in our use of the expression "political purposes", failing to recognize that politics and political purposes are the public business of the nation. We have come to use the word "political" in the sense of partisan politics, every time the word is used. For those who are desirous of destroying our constitutional methods of conducting the political business and political affairs of our country, that of course is the correct interpretation to put upon it, and in that light everything of a political nature should be condemned and scorned. Now, to rule that it is improper to say that a man is bringing an issue before the House of Commons for political purposes would be to convert the meaning of the term "political" into a meaning it never possessed. Surely we are not going to have any such ruling as that. If the hon. member for Rosetown-Biggar can accuse the hon. member for York-Sunbury of charging him with bringing this matter up for political partisan purposes—

Mr. COLDWELL: That is what he meant.

Mr. McGEER: —and for purely partisan purposes, then I think the point of order would be well taken. But there is no such charge. And no one would have ever thought about it if the hon. member for Rosetown-Biggar had not put that unfortunate interpretation upon it. But I hope, Mr. Chairman, that you will not be led into that trap by ruling that we cannot discuss purely political matters in the House of Commons.

Mr. HANSON (York-Sunbury): We would be out of luck, would we not?

Mr. ADAMSON: On the point of order, to my mind the definition of politics is the science of the well-being of the people. If that is not our duty in the House of Commons, then I should like to know what it is we are doing here.

Mr. McGEER: Speak for yourself; you cannot speak for the rest of us.

The CHAIRMAN: I have already given my ruling on the point of order raised by the hon. member for Rosetown-Biggar. I believe the first objection taken by the hon. member was a proper one, because it was supposed to be almost a personal attack as

far as his political activities were concerned. Then the hon. member for York-Sunbury withdrew the statement he had made.

Mr. COLDWELL: No, he did not.

Mr. HANSON (York-Sunbury): Yes, I did.

The CHAIRMAN: The second statement of the hon. member for York-Sunbury was to the effect that the whole party led by the hon. member for Rosetown-Biggar was using the Aluminum company question for political purposes. I believe the point was well taken by the hon. member for Vancouver-Burrard (Mr. McGeer) because this is out of the realm of a personal matter. It is a general statement, about a party, and surely we cannot stop an opposition party, or in fact any party, from making a statement of that kind so far as the political party is concerned. I do not believe the rules were ever meant to be applied in that way. I cite standing order 41, citation 297 of Beauchesne's Parliamentary Rules and Forms:

> The imputation of bad motives, or motives different from those acknowledged, misrepresenting the language of another, or accusing him, in his turn, of misrepresentation, charging him with falsehood or deceit; or contemptous or insulting language of any kind; all these are unparliamentary and call for prompt interference.

Again my ruling is that there is no attack, and no point of order, so far as the statement made applies to a party as a whole.

Mr. HANSON (York-Sunbury): Let me enlighten the membership of this house with regard to the attitude of the political party on this question. I refer hon. members to an editorial in the Ottawa *Citizen* of Saturday, June 19, entitled "A 'Political Scandal'", which quotes a prominent member of the socialist party in this country, as follows:

> For Mrs. Grace MacInnis, M.L.A., in British Columbia, and wife of Angus MacInnis, M.P., for Vancouver East, told an Ottawa C.C.F. meeting on Thursday night that "Shipshaw is one of the most valuable pieces of ammunition for the C.C.F. in the forthcoming elections."

Let us strip off all this sham—

Mr. COLDWELL: I rise, Mr. Chairman—

Mr. HANSON (York-Sunbury): I have the floor.

Mr. COLDWELL: May I just say this?

Mr. HANSON (York-Sunbury): No, you have taken enough of my time.

Mr. COLDWELL: On a question of privilege, Mr. Chairman, I was questioning the minister when the hon. member for York-Sunbury rose and interfered with what I was saying, and out of courtesy I sat down.

[The Chairman.]

Mr. HANSON (York-Sunbury): I have the right to stand and speak.

Mr. COLDWELL: I have that right too. I rise now just to say that I take no responsibility for statements made by persons other than myself.

Mr. HANSON (York-Sunbury): I do not intend to follow that further. The whole incident speaks for itself and the Canadian public can judge of it just as well as the members of this house.

I should like the minister to give the committee from the records of his cost accountants, or better still from the records of Price Waterhouse and Company, who are the auditors for Aluminum company, and a reputable firm—make no mistake about that—the unit cost price of aluminum at the beginning of the war and the unit cost price to-day, with a greatly increased production. That will, I think, be illuminating—I am not trying to make a pun. We ought to know if the price being paid for aluminum by the allied governments to-day, with the greatly increased production, is too high. After all, it is their business. There is, I understand, in all these contracts a provision for renegotiation, and if the unit price to-day is too high I would say that the minister was derelict in his duty if he did not renegotiate that price. But if the unit cost to-day is substantially the same, then the minister has a clearance, and he will have a clearance in the mind of the public too. I am not approaching this thing by way of an attack on the minister at all, and he must not misunderstand me in that respect. If I wanted to make an attack on the Aluminum Company of Canada I could do so. Anybody who wanted to go into the muckraking business could find enough in the aluminum business to stage an attack any time. Just read the history of the Mellon family—you will find it in any standard work in the library—and you will find that the Mellon family and the aluminum business are entangled together. They control a great proportion of the deposits of raw material for aluminum. I have indicated why they came into Canada. There was the question of cheap power. How they got that power is a matter which I think will have to be settled with the government of Quebec; I do not think it is within our jurisdiction to question the terms upon which they got their power, though I have my views on that.

I want to say this further. If the price agreed to be paid by the allied nations at the beginning of the war was not a fair price, that is their responsibility, but the Canadian government has some share in it

even though we are not the direct contractors. If the price paid was fair I do not think there is any great cause for complaint on the part of anybody, because, as the minister said, this material was absolutely essential for carrying on the war, and the Aluminum company has a monopoly, or very largely so, of the production of aluminum. The first consideration in my mind at least has always been and still is the carrying on and winning of the war. But I am going to add this. As the war has proceeded, in other lines of endeavour prices have been reviewed from time to time, and properly so, with a view to cutting down costs of these essential materials required for the manufacture of aeroplanes and other war munitions. It will not do for the minister to say, as I think he did say, and I do not agree with him in that attitude: Oh well, we get it all back in taxation.

Mr. HOWE: I did not say that at all.

Mr. HANSON (York-Sunbury): That is the effect of what the minister said.

Mr. HOWE: Never.

Mr. HANSON (York-Sunbury): Well, the company is making a lot of money and it is paying huge sums in taxation. But on the other hand this government has agreed to give to a subsidiary of this company a generous depreciation allowance, to say nothing else, and I think I could go a good deal further than that. But what I would like to know from the minister is the basic unit cost—

An hon. MEMBER: You have said that four times already.

Mr. HANSON (York-Sunbury): Then I will say it five times because I am thinking of the taxpayers of this country. I want to know from the minister what the basic cost was pre-war, then at the beginning of the war, and in each year of the war. If the minister will give us those figures substantiated by the certificates of his chartered accountants, I shall not have another word to say.

The CHAIRMAN: I understood that when the hon. member for Rosetown-Biggar rose this afternoon it was to ask a question, on which he had been promised an answer from the Minister of Munitions and Supply. We have dealt with the activities of the Aluminum company at great length on previous occasions. We are now on item 2, dealing with cargo vessels. I think I am expressing the desire of the committee generally when I say that we should stick to the item before us; otherwise it will be impossible to make that progress which the committee and the country expects. The committee has already had a lengthy and fairly thorough discussion.

Mr. COLDWELL: I rose to ask the minister to table some documents which he had promised.

Mr. CHEVRIER: The Chairman said that you were in order.

Mr. COLDWELL: I did not hear his remarks. May I draw the minister's attention to the fact that the record is there. The Aluminum company stated that including the profits of the bauxite and power companies the cost of production in 1938 was 8·93 cents, when the plant was operating at only 50 per cent capacity. In 1929 the company got a price of thirteen cents, for 75,000,000 pounds.

Mr. HANSON (York-Sunbury): That is what they sold for? It is not the cost.

Mr. COLDWELL: Yes, that is the selling price of the article. The hon. member for York-Sunbury spoke of a price of five cents. To be perfectly fair about it the price quoted to me, and I was cautioned that with the usual terms of amortization—and the terms are unusual now—which would enter into the cost of production the price would be in the neighbourhood of six cents a pound. But as I said the other day, I had no figures to substantiate that although it was given to me by somebody who I thought would know what he was talking about.

Mr. HOWE: Mr. Chairman, just to show how far afield hon. gentlemen are, I will give the production figures of the Aluminum company for the years beginning with 1939. In 1939 Aluminum company produced 82,800 short tons of aluminum; in 1940 the production was 109,200 short tons; in 1941, 212,300 short tons; in 1942, 335,800 short tons; and it is estimated that this year the company will produce 503,000 short tons, or over 600 per cent of the production in 1939, which was capacity production.

I might say that I am the custodian of the British contracts in Canada at the present time. That is a confidential mission which I have. I was appointed agent of the British government with the distinct understanding that I would not disclose any contracts that I made on behalf of the British government or any facts which I obtained in that connection.

I have followed very carefully the costs of producing aluminum, and I am satisfied that the price has been kept in a reasonable relation thereto. The British government, having all the facts, have come to the same conclusion; at least I have heard no complaints. So

far as the government of the United States, the other large customer of the Aluminum company, is concerned, they have direct contractual relations with the Aluminum Company of Canada. I am not associated with that contract in any way, but I assume that there again relations are satisfactory. As to price of fabricated aluminum that is purchased by Canadian contractors, I know about that, and I am satisfied that that is a fair and reasonable price.

My hon. friend said that he thought the cost of manufacturing aluminum was five cents a pound. The profits of the Aluminum company, or Aluminum Limited, which incidentally include the profits from a number of operations outside Canada, are known every year; they are published. My hon. friend reasons that, forgetting the escalator clause, if the cost of producing aluminum is five cents on a pre-war basis the profit would be eleven cents.

Mr. HANSON (York-Sunbury): No, I said I thought to-day the cost was five cents—not pre-war.

Mr. HOWE: The hon. member says that the cost is five cents. Well, the cost, of course, would take all factors of cost, including the increased costs appearing in the escalator clause. But I say, drop that out, go back to the unit costs of pre-war, the cost of labour, of power, and transportation; if these are assumed, on that basis the suggestion is that aluminum can be produced for five cents a pound, and the profit would represent eleven cents a pound. If the hon. gentleman will check the profits per pound on the tonnage of aluminum I have given him, against the balance sheet of the company, he will see that he is very far afield indeed in his assumptions of cost. I am afraid that is all the information I can give him.

Mr. HANSON (York-Sunbury): Let us understand the situation. The minister says that because of his financial relationship with the British government he is not able to reveal the figures of cost of production. I would not quarrel with the minister for taking that attitude so far as the British government is concerned; but in his capacity of minister of munitions and in view of his familiarity with the contracts for Canadian consumption in a semi-processed state, possibly that secrecy would not obtain. Now if the minister has said—and he has in effect said—that because of his commitments to the British government he is not able to give us the real cost, I am not going to ask him to break his plighted word to the British government, because after all it is their responsibility and their business, and their money is paying for this. But what has been bothering me all along, in reading the discussion, including the speeches of the hon. member for Rosetown-Biggar here and outside the house, and the minister's reply, is this, that if the production is increased by 600 per cent the unit cost must have fallen very substantially, and the taxpayers, not only of Canada but of the United States and Great Britain, should have had the benefit. That is the only point I desire to make. If I am wrong in my assumption, why, I am wrong. I may say to the minister that the figure which was quoted to me was given by a man who said that he knew something about the aluminum business. I am free to tell the minister that I cannot adduce proof in support of that five cents a pound; if I had it I would produce it; make no mistake about that; I would have been camping on the minister's trail a good while ago. I rose for purposes of gaining information and an explanation as to why, if production has been increased 600 per cent, the price has not gone down. We have not had an answer on that, and apparently we are not to get it.

Mr. HOWE: Mr. Chairman, my hon. friend cannot assume that because volume goes up prices necessarily go down.

Mr. HANSON (York-Sunbury): The base price—with the escalator clause.

Mr. HOWE: The base price has gone down, of course. Nevertheless the freight per ton on bauxite is the same for a million tons as it is for a hundred thousand.

Mr. HANSON (York-Sunbury): Oh, but you cover that in the five and a half cents.

Mr. HOWE: I am not talking of the war increase. I say, had prices remained stable the cost of transporting bauxite, which was a large operation before the war, would not have changed materially for an operation six times the size. The cost of transportation would not have changed, nor would the cost of power. It takes so many kilowatts of power to smelt one pound of aluminum, and the price per kilowatt hour is usually a constant price. Any saving will have been in labour, through the larger operation, and the distribution of overhead, and I think the reductions in the base price which have been made take care of that item.

I have watched this situation very carefully. I have taken into account the obligations of the Aluminum company—obligations taken on in the interests of winning the war, and with my approval—and I am satisfied

that the price of the aluminum contracts today is a reasonable price, and one which does not allow an undue margin to the shareholders of the Aluminum company after their obligations have been discharged.

Mr. MacNICOL: May I ask the minister a question about the transportation of bauxite? I read an item a few days ago to the effect that it is being landed at New Orleans, transported by canal boats up the Mississippi to the Ohio canal, thence through the Ohio canal to a final connection, I assume the Erie canal, and down the St. Lawrence river by boat to the Saguenay.

Mr. HOWE: Did my hon. friend in his travels ever cover that route?

Mr. MacNICOL: Does it go by canal boat or by rail?

Mr. HOWE: It goes almost every other way, and in almost every kind of boat, including canal boats, but it does not go up the Mississippi river. My hon. friend would not expect it to go through the Chicago barge canal, which is hardly a route.

Mr. MacNICOL: It has a nine-foot draft.

Mr. HOWE: Hardly that. About six feet, on the Mississippi.

Mr. MacNICOL: No. Chicago has a nine-foot draught.

Mr. HOWE: It has never gone that way. As a matter of fact it has gone by rail from gulf ports. A certain amount comes from New York up the barge canal to Oswego, where it is transhipped and brought down to the Saguenay by boat.

Mr. MacNICOL: The barges on the Mississippi are 500-ton barges. They have a nine-foot draft. They come up the Ohio river.

Mr. COLDWELL: I think we can arrive at some idea of what is going on by looking at page 3631 of *Hansard* where, in the table given on that page, there is an item, "Provision for depreciation and depletion." There is another item giving the net profit of Aluminium Limited for the year transferred to earned surplus. The total of the two items is $56,870,784. The minister has given the number of pounds involved in this, and if you allow for the normal depletion you can arrive at what the profit per pound is.

Mr. HOWE: After excluding earnings of a number of other companies.

Mr. COLDWELL: The major portion is earned by the Aluminum Company of Canada.

Mr. KNOWLES: One other question with respect to the effect of the escalator clause. The minister said that the amount of adjustment in the first quarter of this year was 5½ cents. That, added to the 15 cent base rate, meant that the American government was paying 20½ cents. The question I wish to ask with respect to the 20 per cent of the contract which was being paid for at the rate of 17 cents per pound, according to the letter which Mr. Jesse H. Jones wrote to Senator Truman on March 24, is this: Does this mean that the American government is paying 22½ cents for twenty per cent of the aluminum purchased?

Mr. HOWE: No, it does not mean that.

Mr. REID: I wish to ask a question with regard to information given to the press to the effect that Austin C. Taylor of Vancouver had been appointed special representative of D. W. Ambridge, director-general of the naval shipbuilding branch of the Department of Munitions and Supply. Are there two branches, one for the building of cargo boats and one for the naval shipbuilding branch, and does Mr. Taylor represent Mr. Ambridge or the minister of munitions in Vancouver? The article states that he represents Mr. Ambridge. I always thought that when a man was appointed he represented the government, but according to this item Mr. Taylor represents Mr. Ambridge. Will the minister give the house some particulars with regard to the naval shipbuilding branch and the appointment of Mr. Taylor?

Mr. HOWE: The merchant shipbuilding programme is under the supervision of wartime Merchant Shipping Limited, of which Mr. H. R. MacMillan is president and Mr. Austin Taylor vice-president in charge of operations of the west coast. All other shipbuilding is under the naval shipbuilding branch of the Department of Munitions and Supply, of which Mr. Douglas Ambridge is director-general. The branch has only one large shipyard on the Pacific coast, namely, Yarrows Limited, whereas Wartime Merchant Shipping have, I believe, five large operations in the Vancouver area. It was felt that in the naval activities there, having to do with Yarrows Limited, one shipyard could be better co-ordinated under the direction of Mr. Taylor, who would thus have the whole steel shipbuilding industry on the Pacific coast under his responsibility. It was considered that a more equitable distribution of labour and a better servicing would result from Mr. Ambridge's delegating his responsibilities on the Pacific coast, in regard to steel shipbuild-

ing, to Mr. Taylor, who will report to Mr. Ambridge as far as naval shipbuilding is concerned.

Mr. HANSON (York-Sunbury): What has become of Mr. Desmond Clarke?

Mr. HOWE: He has changed his position. He is now assistant to myself in charge of certain special duties.

Mr. DIEFENBAKER: In connection with the building of cargo vessels and the like, it is said that the increase in expenditures during the coming year will be approximately 300 per cent over the figure to-day. I would ask the minister to advise the committee how many men are to-day employed in cargo shipbuilding, how many men will be required during the next year in the expansion of the present programme, what measures are being taken to recruit the necessary man-power for this particularly specialized type of work, and what assistance the selective service authorities are giving the minister in securing the necessary man-power.

Mr. HOWE: So far as merchant shipbuilding is concerned, my hon. friend will understand that the appropriation before the committee is in payment for that portion of the ships we build that will be operated by Park Steamship Limited. As to merchant shipbuilding, it is actually stabilized. The yards devoted to merchant shipbuilding are yards that will continue in that work, so far as we can foresee at the moment. They are well staffed, and the components position is first-class. So far as I know there will be no great demand for men in the merchant shipbuilding field, but we are not so happy in the naval shipbuilding yards. That situation is being handled very well by selective service.

Mr. DIEFENBAKER: Has the minister sufficient man-power now without recruiting any further man-power to continue the present plans for merchant shipbuilding as well as the building of cargo vessels by Park Steamship Limited?

Mr. HOWE: Park Steamship Limited does not build boats; it operates boats. We are turning out merchant ships at the rate we have scheduled for the current year. We are quite happy about our production in that field. My hon. friend suggests something about not hiring more men. We are always hiring men, because there is always a turnover in these yards, too much of a turnover; nevertheless if we could be sure we could maintain the number of men in merchant shipbuilding that we have to-day until the programme is completed, we would be happy.

[Mr. Howe.]

Mr. DIEFENBAKER: The minister has raised another point there. He says there is far too much of a turnover, if I heard him rightly. Approximately what proportion of the man-power is leaving the production of shipbuilding and going elsewhere from month to month?

Mr. HOWE: That is really a question for the Minister of Labour to answer. I have not the figures here and there is no reason why I should have them, but he will be glad to give my hon. friend that information when he is discussing selective service.

Mr. DIEFENBAKER: That is not exactly the position. There must be some coordination here between these departments. When the Minister of Agriculture had his estimates before the house the answer he gave, when the question of man-power was raised, was to the effect that he could ask for the assistance of the Speaker to deny the right of members to ask the question, because after all that was the problem of the Minister of Labour. The Minister of National Defence more or less adopted the same attitude, and now the Minister of Munitions and Supply, where there is a very particularized form of demand for labour, gives the same answer. Surely when this question of man-power has to be faced we have the right to know the picture in each of the departments. As a matter of fact the Prime Minister said the other day, if I remember correctly, that one of the reasons why it was necessary to have the Minister of Labour come at the end of the parade of ministers was the fact that by doing that members would have a true picture of the man-power situation. I feel that we are not getting that picture.

There is nothing more important at the moment than the production of vessels both for war and for transportation. The minister made a most significant statement when he said that there is altogether too much change in the personnel of this industry. What is the change he refers to? Where is the coordination between the different departments? Are men engaged in the shipbuilding industry still being called upon under the National Resources Mobilization Act for service in Canada? Has some arrangement been made by the Minister of Munitions and Supply to secure the continuance of the man-power necessary for this production? Has he made arrangements with the Minister of Labour so that trained men will not be taken from shipbuilding where they are performing specialized work and placed in the forces for the defence of Canada? The committee is entitled to this information. These are things which members

should know before the Minister of Labour comes along. We are entitled to have information from each department so that we may have a picture of the man-power situation.

Mr. HOWE: I have already told my hon. friend that we are quite happy about the man-power situation in merchant shipbuilding. We advise the Department of Labour of the number of men we need in each shipyard, and so far as I know the men are forthcoming. At least we have no serious shortage in any yard building merchant ships at the present time. I have no complaint to make to my colleague at the moment about the man-power situation in shipbuilding. I am sure I do not know whether men are being transferred. All I know is that the required number of men are in the yards to turn out the work on the schedule we have put before the shipyards. That schedule is being maintained. Who the men are, where they come from or where they go, is entirely a matter for the Minister of Labour. I am sure that he will be able to give you full information.

Mr. DIEFENBAKER: That answer may satisfy some, but it does not satisfy me. I want to know if men are still being called up from these specialized jobs and being put in the army in Canada. If so, how many have been called up from shipbuilding since the beginning of this year?

Mr. HOWE: I do not know.

Mr. DIEFENBAKER: Does the minister say that he has no information as to whether men are being called up? Is that the answer?

Mr. HOWE: They are being called up if they are in the proper age groups. I made the statement the other day that at this stage we are making no demands on the army, navy or air force for the deferment of any man unless he has a very unusual skill which we cannot obtain otherwise at this time.

Mr. DIEFENBAKER: What did the minister mean by the statement he made earlier in the discussion that the proportionate rate of change in the personnel of the shipbuilding yards was too great, or words to that effect? Did he mean that it is difficult to hold the necessary trained men in the industry?

Mr. HOWE: No. Men drift from yard to yard to some extent. It is a thing we would like to discourage; we would like to keep them where they are.

Mr. REID: Are the ships under charter to the Park Steamship company insured? If so, who bears the loss, if any?

Mr. HOWE: The ships are insured against what is called "P and I", that is protection and indemnity. They are not insured against war risk; but they are insured against a third party risk. These ships are operated for the account of the government, and any profits go to the government. The government has decided, as it has in most insurance matters, that it is willing and able to take the risk on individual ships rather than spend the money that would be required to insure them against war risks.

Mr. FRASER (Peterborough West): Has there been any hold-up in supplies, such as engines and other equipment, for ships that are being built? I think about two weeks ago the Toronto *Star* stated that a number of ships being built for the government were being held up because they could not get equipment.

Mr. HOWE: In the merchant shipbuilding programme components are well ahead of hulls; there has been no delay for many months.

Mr. NOSEWORTHY: Would the minister or his colleague give us a statement with regard to the present labour relations in Toronto? I understand there is a considerable lay-off there at the present time.

Mr. HOWE: The Toronto shipyards have an agreement with the American Federation of Labour which covers all workers in the yard. One day last week a group of 289 workmen, affiliated with a rival union, which is also an affiliate of my hon. friend and his party, as I understand, held a meeting on company time in the shipyards in flagrant violation of the agreement covering the relations between the yard and its employees. Those men were promptly dismissed, and I think properly so. If the men wish to come back individually, they will probably be rehired, but we cannot stand for jurisdictional disputes on company time in any shipyard.

Item agreed to.

3. Housing development, $30,000,000.

Mr. NICHOLSON: On a number of occasions I have discussed this important question of housing. When Wartime Housing Limited was established the minister reported to his colleagues, as outlined in the order in council of February 24, 1941, that there existed at various points throughout Canada such a lack and serious shortage of housing or other living accommodation for persons then engaged or likely to be engaged in the near future upon war work in connection with the production of munitions of war and supplies or upon defence projects, or for the families of such persons, that the war effort of Canada was

likely to be jeopardized unless steps were taken immediately to remedy the situation. The administration deserves credit for recognizing that the amount of housing available for the people of the country will directly affect the production of munitions. In the United States during the last war they found that the lack of housing accommodation in some of their munitions centres resulted in a very large labour turnover and wastages of upwards of twenty-five per cent.

I have in my hand a copy of the brief presented to the committee on reconstruction and re-establishment by the Canadian federation of mayors and municipalities, in which reference is made to the serious housing shortage in Canada as revealed by the 1941 census. One statement is to the effect that twenty-five Canadian cities with populations of over thirty thousand reported that sixty-one per cent of their people lived in rented quarters. Of these tenants 53·6 per cent paid less than $25 a month rent, 36·3 per cent paid less than $20 and 16·5 per cent less than $15. More than 17 per cent of the houses had neither bath nor shower, while 30 per cent had no means of refrigeration, either mechanical or by ice. In mentioning this very serious situation the brief goes on to state that in the city of Hull, for example, 25 per cent of the houses are in the category of those for which the rental is less than $15. Anyone who has had any experience in looking for housing accommodation in Canadian cities can picture the sort of quarters available at $15 per month. The mayors' association made some valuable recommendations, which I shall discuss a little later.

The bureau of statistics reports that urban centres would require 143,314 new housing units to give each family a separate unit; and the estimate of the family units required in rural Canada shows that 82,612 units would be required to provide separate family units. The total number of houses required to give each family in Canada a separate unit would be something over 225,000. In view of this very serious shortage one might anticipate that Wartime Housing Limited could embark upon an ambitious house-building programme without creating a surplus of houses for the post-war period.

I have some reports from typical Canadian cities to which I should like to refer; one very illuminating report deals with the city of Ottawa. Hon. members of this house are so familiar with the shortage here, however, that it is unnecessary for me to quote these comments. Then I have a report on housing in Halifax, made in 1932 under the direction of the citizens' committee on housing. This report contains these words:

> And well it may, for Halifax is infested with a high percentage, per house population, of tumble-down shacks where whole families eat, sleep, bathe and live in a single room, where cellars reek with filth and vermin, where sewage runs riot—hovels unfit for human habitation, and typical of the worst slum conditions to be heard of anywhere. "One-half the world doesn't know how the other half lives," said Jacob Reis.

Something over two years ago the hon. member for Rosetown-Biggar had occasion to refer to housing conditions in Halifax. At that time the senior member for Halifax made an emphatic protest, pointing out that Halifax was a city of beautiful homes. Doctor H. B. Atlee wrote the Halifax *Chronicle* on Wednesday, June 4, 1941, after the hon. member had made his comments here, and in his letter he said:

> Your columns this morning contain the information that Mr. M. J. Coldwell has been "censured in some quarters" for bringing to public attention the condition of the slums of this city. Surely this represents ostrichism in its blatant and unabashed form—that ostrichism which, head hidden in the sand, declares that the thing it does not want to see should not be seen even by more intelligent birds. Mr. Coldwell made no extravagant statement about our slums. No statement could be couched too extravagantly to describe their loathsome squalor. I have worked in the east end of London and in some of the less salubrious environs of Manchester, and I saw nothing there any worse than exists in Halifax. Our slums are a disgrace and a shame to us—a disgrace abounding and a shame reproaching. In tolerating them we have shown a criminal indifference. For they are more than a shame and a disgrace; they are a cancer, eating into our very life and health.

A report from Winnipeg covering the year 1942 states:

> . . . it will be seen that we have reached an all-time low in the number of vacancies, which means that more and more families are having to crowd together. This condition is, of course, in conflict with our health and other by-laws, but it is evident that there is little we can do about it. . . .
>
> The shortage of accommodation for the low-income group has been acute for years and I have referred to this over and over again in these reports. The present plight of the average working man to find moderate but satisfactory living quarters for his family is lamentable. . . .
>
> Surely our present housing shortage cannot continue much longer. The risk to health of our sub-standard housing, not to mention that of the fire hazard in our nondescript tenements, may be brought home to us with painful remorse. Already, we have much evidence of the toll in moral and mental standards, also the cost of crime, in our blighted districts.

My attention has been drawn to a report appearing in the Saskatoon *Star-Phoenix* of

April 23, 1941, with regard to rural housing. This statement is made by a Church of England clergyman, in reference to conditions in northern Saskatchewan, where many heroes of the last war have lived. He said:

I have seen the slums of London and our eastern cities, but I have never seen the abject poverty and want that exists among the settlers of northern Saskatchewan.

In the past, as those responsible for the affairs of our country, we have not faced up to the cost of maintaining these slums. I have here a report on municipal housing by Helen Alfred of the national public housing conference of the United States, in which she says:

American slums are among the worst in the western world. From coast to coast, from Canada to the gulf, the housing conditions which families in the lower income brackets are obliged to occupy are a shocking commentary on what we like to call the American standard of living. Toward no other form of economic maladjustment have we remained more archaic in our attitudes, less progressive in action. While imagination, skill and boldness have marked the attack of American cities on problems of health, education and recreation, the housing problem—the inability of low-income wage workers to secure homes of modern standard at rents within their means, has been treated with vacillation, subterfuges or complete indifference.

A study was made in Winnipeg back in 1935 in regard to the cost to the taxpayers of that city of maintaining their slums. They took into account the cost to municipal hospitals, social welfare agencies, the police department, the children's aid society, the children's bureau, the Winnipeg general hospital and the St. Boniface outdoor clinic, and compared the cost in the worst slum area with the cost in the rest of the city. They found that in this worst slum area the cost of maintenance amounted to $639,000. Had the cost in that area been at the same rate as in the rest of the city it would have amounted to only $189,000, showing a difference of $450,000. In other words it cost the taxpayers of the city of Winnipeg, the gateway to the west, nearly half a million dollars to maintain the slums of that city.

The special committee of this house which investigated housing in 1935 reported that a survey made in Cleveland indicated that where 2½ per cent of the population lived, 22 per cent of the murders were committed, 6·8 per cent of juvenile delinquency existed and 12½ per cent of deaths from tuberculosis occurred. Although the per capita cost of fire protection in Cleveland is only $3.12, the cost in the slum area is $18.12. The estimate for the total cost of the slum area is $1,740,000.

I mention these two or three specific cases to bring to the attention of the committee the fact that the creation and maintenance of a slum area is a costly business. Unfortunately I am afraid that as part of our war-time housing programme we are building some new slum areas. Wartime Housing Limited deserves credit for entering the field fairly early in the war. Houses have been provided in a number of areas, where, had they not been built, there would have been a serious shortage of housing accommodation. I am quite prepared to admit that the houses which have been built by Wartime Housing Limited are superior to a great many other houses found in cities in which there is overcrowding. But I come back to the point I made a year ago, that many of the temporary houses being built by Wartime Housing Limited will be the slums of to-morrow. The taxpayers of Canada have spent a large sum of money to build houses. I am not complaining about the amount of money spent for this purpose. When one considers that this year the Minister of Munitions and Supply will supervise the expenditure of $3,400,000,000, the fairly modest estimate of $30,000,000 for housing seems like a small sum indeed. But as a taxpayer I am concerned that the people should receive good value for these houses. I am also concerned that houses which will be slums in a few years should not be built in areas in which a permanent housing shortage exists.

I have before me some correspondence which passed between the president of Wartime Housing Limited and the Toronto *Globe and Mail,* and I have also an article which appeared in *News* on Saturday, April 3. In this article a good deal of space is devoted to a description of the cost of houses built in Hull. It states:

A return brought down in the house showed 150 houses erected in Hull at a total cost of $577,604. Of the total $117,179 went for land, sewers, water, road-making, street lighting, electric poles and cables. That left $460,425 as the actual cost of the houses. The Hull development, according to Wartime Housing in Toronto had 100 six-room storey-and-a-half houses, of a unit size 24 by 28; 50 four-room one-storey houses, 24 by 24. The Toronto officials estimate the difference in cost between the cost of four- and six-roomed houses at $300. The total outlay of $460,425 for the 150 units works out at $2,968 each, for the 50 four-roomed houses, and $3,169 apiece for the 100 six-roomed houses.

A second return to the House of Commons regarding the same development gave the unit cost of the four-roomed houses as $2,941 and of the six-roomed houses as $2,937, and the cost of land and exterior improvements as $760 per house.

The article goes on to give the cost of a house built in Galt by a firm known as the Franklin Lumber company. It states:

Land for the experiment was bought from the city, close to the Wartime Housing development. It cost $50. The house, a four-room cottage of the same ground dimensions as Wartime Housing's four-roomer, was built to the specifications of the National Housing Act. These require a foundation and cellar. Wartime Housing dwellings are set on posts and have no basements.

The cottage built for comparison with the Wartime Housing model has a 10-inch cement foundation and a dirt-floored cellar. Both houses have bathrooms and electric wiring. Neither has a furnace, but Wartime Housing provides a convection heater installed on the ground floor of each of its dwellings. The cottage the lumber company built was of frame construction, wood sheeted and plastered inside. Wartime Housing units are also of frame, wood sheeted, but are finished inside with plaster board.

The Galt cottage completed, was sold with its lot for at least $569 less than each four-room temporary dwelling at Hull cost the people of Canada. Its sale price netted the builders "a good margin of profit", to quote "Timber", which published a report on the experiment in a recent issue.

The report indicates that a temporary house built without cellar and on posts cost $569 more than a permanent house, on a ten-inch cement foundation, of lumber construction.

The president of Wartime Housing, Mr. Pigott, found occasion to write to the *Globe and Mail* in reply to the article appearing in *News*. In his letter Mr. Pigott states:

The author of these figures states the cost of the house in Hull, Quebec, exclusive of land and exterior improvements, is $2,869. Where this figure was obtained it is impossible to say. The truth of the matter is that the cost of this house in Hull, figures of which cost are available to any auditors, is $1,889.13, quite a different figure from $2,869, which has been given to make the comparison.

On the question of cost: For your information, the average cost of 15,392 houses in various parts of Canada is $2,229 and this average price includes a large percentage of houses with four bedrooms. The average cost of the house under discussion, that is the two-bedroom house, of which we have completed 6,773, is $1,959. This is on the basis referred to in the article "exclusive of land and exterior improvements." This house costs as low as $1,836 in British Columbia, and is lower than this again in North Vancouver. The average price of this house in Ontario is $1,927.

Well, Mr. Chairman, I happen to have some returns here brought down in the house. The minister has supplied them, so that it is not necessary to go to Mr. Armstrong and ask where he gets his information. According to returns brought down, two hundred houses were built in North Vancouver at a cost of $599,395, or an average of $2,996. In turn I must ask the minister where the president of Wartime Housing Limited got the figure he quoted in his letter to the *Globe and Mail*.

With regard to houses in Hull, if the minister will turn to page 951 of *Hansard* for this year he will find the answers to questions I had placed on the order paper. I have also sessional paper 122-i, a return asked for by the hon. member for St. Paul's (Mr. Ross) and dated May 17, 1943. This return shows the cost of a great many of these units. For example, the Hull costs are given. According to this information, 100 houses were built on a lump sum basis, and 50 on the day labour basis. The actual cost up to February 28, 1943, amounted to $530,125. The actual cost per unit for the 100 houses was $2,750, and the actual cost of the 50 houses was $3,935. If one multiplies $2,750 by 100 he gets $275,000, and if he multiplies $3,935 by 50 he gets $196,750, or a total of $471,750. But the total in the other column, up to February 28, is $530,125. That makes a difference of $58,375 in the two totals. That is not a lot of money compared with three billion dollars, but $58,000 is still a lot of money. If you average this difference of $58,379 among the 150 houses it means an extra of over $385 per house. Add that to the cost of the smaller house and you get a total of $3,139, and for the larger house a total of $4,324. I suggest to the minister that he and the president of Wartime Housing should get together and see if they cannot get their figures to tally so that we may know just what these houses cost. As I said, the cost has been very, very high. I urge members of this house to spend a nickel and ride across to Hull some Saturday afternoon. The members of this house have a responsibility to find out whether we are getting good value from our wartime building. We are spending this year over $30,000,000 and hon. members have a right to find out whether we are building a new slum area within a short distance of this capital. I take it that the administration would want to do a very good job within such short distance of the capital, that they would want to put up the best possible house at the least possible cost. But when I was over in Hull recently I noticed that several of these houses have had repairs made to them already, although they have not yet been occupied for a year. Some of the houses had ply board around the base; it has been found necessary to put boards around there because apparently the children were able to kick holes in the wall, and something more substantial had to be provided.

My chief complaint regarding the administration of Wartime Housing has been that the taxpayers are paying a very high unit price

for these houses; the overhead is very high; and we are creating slum areas. I think I should mention that I have seen some of the hostels which have been built and I have very little fault to find with them. They seem to be well managed and remind me somewhat of my university days when we enjoyed quite an interesting life living in residence. While there were some complaints about the food, it looked as though everyone was being well fed and I am sure they had a varied diet; but where you have several people eating in the one place day after day it is bound to become a little monotonous.

Comparing the costs shown in these returns I should like to give the committee a few figures in connection with the building of permanent homes under the national housing administration. Again let me say that I am not satisfied with the National Housing Act, but this does afford a basis for comparison.

A typical borrower under the National Housing Act has a yearly income of $1,800, borrows $3,000 and builds a $3,750 home. The average cost per house is $3,250, and at that he gets a much better house than he would get in Hull even for more money. The average cost per lot, 35 x 120, including improvements, is $325. The cost of equipment, light fixtures and hardware is $100; the legal and financing cost, $75. That brings the total cost of lending value to $3,750. The lending institution's share is $2,250; the government's share, $750, and the borrower's equity, $750. The average borrower would have an income of $150 a month. He would have to pay $26.50 a month to make his monthly payment of principal, interest and taxes. If it is possible to make permanent homes available to people in Canada who are living in crowded quarters, for the payment of $26.50 a month, after the borrower has made an investment of $750, we should be promoting schemes of that sort. It really means that the house is bought for $750, because the $26.50 paid on the monthly basis is less than one would have to pay to rent such a house in the city of Ottawa. People who live in their own homes take a pride in improving the home and its surroundings. They take a great deal more interest in their own homes than they do in a rented house and have a pride in their gardens. Again I am prepared to admit that Wartime Housing has been able to select good tenants and the property is cared for by the tenants in a satisfactory manner. But people cannot look forward to having these as permanent homes. The minister said on one occasion that if it was desired to change these houses into permanent homes, it would be an easy matter to put a cement foundation under the building, but I think anyone who has visited the Hull houses would agree that if one wanted to build a permanent home out of one of these houses in five years' time, the first thing he would do would be to tear the house down and use some of the tactics that were described by the hon. member for Macleod the other day in connection with the buildings on a farm that was taken over by the government for an air training centre. I do not think it is feasible to contemplate making permanent homes out of houses of this type of construction.

As I intimated before, I think the administration costs in connection with Wartime Housing are excessive. A return was brought down some time ago giving the administrative costs in connection with the building of wartime houses. The number of housing units completed by Wartime Housing as at December 31, 1942, was 9,510; total cost of housing units, $36,000,000, with administrative costs of $209,000. Under National Housing, according to an answer given to another question, there were built 23,606 units, with construction costs of $92,000,000, and administrative costs of $550,000. The costs of Wartime Housing administration were much higher, taking into consideration the houses built.

According to questions which were answered in the house, the general manager of Wartime Housing is now getting a salary of $12,000 a year. He started at $10,000 a year. I shall have more to say about this when the Minister of Finance comes before the committee. I must remind him that we have an order freezing executives' salaries, and here is a man who, I am informed by another return, was receiving a better salary in the United States than he is now getting, but who was receiving from this government a salary of $10,000 a year until July 1, 1942, but is now receiving $12,000 a year. I submit that we have some very good people in Canada who might have been available to act as general manager of this corporation and it will be difficult to satisfy some people who are working in essential industries that they are not entitled to an increase when they see other people having their salaries increased by 20 per cent. A 20 per cent increase has been given to a $10,000 dollar man—which is a very large increase.

Then there is the question of architects. I find, in reply to a question I put on the order paper some time ago, asking for the names of all the registered architects employed by Wartime Housing Limited and also the names and addresses of the architects

of Canada who have been engaged on wartime housing, and the amounts paid to each for their services, that there is quite a long list of the architects who are employed, and the salaries paid. Mr. W. L. Somerville, who is a highly qualified architect, has been paid $4,375; Mr. B. H. Wright, $9,001; Mr. B. R. Coon, $4,000; Mr. D. E. Kertland, $9,487; Mr. H. H. Kent, $4,341; Mr. Abe Wilson, $3,033; Mr. L. Forstener, $3,323, and so forth.

In addition to employing high salaried men on the staff, I find that a number of firms have been dealt with very generously. W. and W. R. L. Blackwell, of Toronto and Peterborough, have received for services and expenses over $10,000; D. J. Cameron, of Windsor, $20,000; S. B. Coon and Son, of Toronto, over $8,000; George and Moorhouse, of Toronto, over $9,000; Maurice Germain, of Montreal, over $7,000; Hutton and Souter, of Hamilton, over $10,000; Norman Kearns, of Welland, over $13,000, and McCarter and Nairne, of Vancouver, over $42,000. There is here a very long list of architects, and, having visited a number of housing projects undertaken by Wartime Housing, it is hard for me to understand why such high salaried architects are required and why something more creative has not been produced by architects who apparently have been paid on a handsome basis.

As I said, I feel that the cost in connection with building wartime housing has been unduly high. I hope the minister will be able to give us some information regarding some of these specific cases which I have mentioned. I wish, too, that there should be a reversal of policy in connection with wartime housing and that more consideration be given to the place of these units in our economy of to-morrow. I understand that some permanent houses are being built at Sarnia, but apparently the minister is unwilling to give members of the house as full information as he should regarding what his plans are for permanent housing. Hon. members will recall that early in the session I asked for copies of plans and specifications in connection with housing projects in St. Catharines and in Hamilton, and a strange attitude was displayed by the minister; he refused to bring down that information. I found later that it cost the taxpayers of this country $1,449.47 to prepare the St. Catharines plans and specifications; and then a member of this house is denied the privilege of having this return brought down and made available for his consideration. Usually governments are only too glad to make available their plans for housing.

[Mr. Nicholson.]

Again, if I might refer to the national housing administration, they encourage people in the country to send for their plans, and try to stimulate the interest of the citizens in building projects.

With regard to the future, I hope the administration will give more creative leadership than Wartime Housing Limited has provided. I have here a letter from the Ministry of Health of Great Britain. Under date of March 4, 1943, the assistant secretary writes:

> I am directed by the Minister of Health to state that, from his continuous consideration of the housing situation throughout the country, he is fully aware of the growing oncern of many local authorities at the conditions which have ensued from the enforced stoppage of housing work and of their desire to resume this work at the earliest opportunity. He regrets that he can hold out no hope of new house building at present save the provision which he has recently announced of a small number of cottages for agricultural workers. . . .
>
> But it is clear that the need for houses is already substantial, and the minister is anxious that local authorities should now begin to formulate plans so as to be in a position to make a quick start immediately conditions permit, whether during or after the war. . . .

In a recent letter to the national public housing conference, the President of the United States wrote as follows:

> The recognized need for adequate housing for all of our citizens has been emphasized by the special need of proper housing for civilian and enlisted personnel—and their families—concerned in the effort to win the war. Adequate housing is a morale builder and is essential to the speed and efficiency of our national defence work.
>
> The programme of clearing slums and providing decent homes for the ill-housed of our nation in the years before the war laid the foundation for the intensified housing effort necessary to-day. The job of clearing the slums, which your Conference helped to begin, of necessity must be reduced substantially for the duration. With the scarcity of building materials we can now afford to build homes only in defence areas. But the goal of a slumless America must be preserved. . . .

I have also the report of a speech delivered recently in the United States by the Hon. Walter Nash, who was the sponsor of a housing bill in New Zealand in years before the war. He said.

> We simply cannot afford to pay the tremendous price we have paid in the past by leaving such matters in the hands of those who acknowledge no social responsibility. We cannot afford to leave the way clear in the future for the predatory activities of the speculator, with the repetition of the muddle and the waste that must always result from unplanned development.
>
> There is the problem, too, of considering housing in its proper relationship to other phases of general regional planning. Industry and housing, for example, must be considered

for planning purposes as two parts of a single problem. A building project no longer involves merely the construction of a number of dwellings. The larger the scale of operations, the more we are compelled to pass from purely constructional fields into fields which embrace almost every phase of communal activity. When we commence to plan for housing, on any national scale, we are in effect planning for the future of the nation.

I have two or three illustrated booklets telling what remarkable progress has been made in New Zealand under a labour government in connection with the building of suitable homes for every family. I should like to draw the attention of the committee to an interesting little book entitled "Homes or Hovels", recently published by the Canadian Association for Adult Education and the Canadian Institute of International Affairs. The hon. member for York West (Mr. Adamson) is honoured in having a sketch of himself in it. The hon. member made a telling address at the conference held in Toronto sponsored by the Ontario Association of Architects, that provided the material for this book. It is encouraging to find a representative group from various parts of Ontario showing the initiative to bring Catherine Bauer, who is without doubt one of the best of the English-speaking authorities on housing. I suggest that hon. members secure a copy of this valuable booklet and become familiar with the suggestions.

Mr. MacNICOL: Recently the mayor of Toronto, accompanied by some members of the council, interviewed the minister and the head of Wartime Housing Limited. I am sure the minister will readily admit that the requests of the city of Toronto were reasonable and were presented in a businesslike manner and supported by a well prepared brief. I shall occupy only a few moments, but I intend to read a few paragraphs of the brief, because they clearly indicate what that great city is up against, and how the city itself has tried to help the minister with a problem which now confronts him; for he has been up against a serious problem, and I for one think he has made the best effort he can to solve it. On May 13, Toronto, through the mayor, presented a brief in which a number of reasons are stated to show why the city requires assistance in handling the serious housing problem that exists there. The first clause on page 1 reads:

> We would draw to your attention the housing situation that has been created in Toronto by the great influx of people from other sections of Canada to accept employment in the armament and munition plants located both in the city proper and in the adjacent municipalities.

I might add that immediately north of the city in York township, east of the city in East York and west of the city in West York, many thousands of people reside, a great many of whom work in the city while living in the townships or in the adjacent municipalities, and these municipalities too are congested. They have their housing problem, and for that reason the city honoured them by referring to the equal difficulties with which they are faced. The city itself tried to overcome these difficulties and to help out the minister and his board, first, by making a tabulation of vacant stores throughout the city, and with the consent of the board such stores as could be converted into dwellings were so utilized to the number of 225. But that quickly exhausted the available number of stores which could be turned into dwellings. Some of them are in my own end of the city, and while they are not all that could be desired, they do assist in overcoming the temporary difficulty that exists in consequence of inadequate accommodation. The city then made application to the board, and here I will read what the brief says:

> The civic administration has conferred on several occasions with officers of Wartime Housing Limited. At a recent meeting with Mr. J. M. Pigott and Mr. V. T. Goggin, we presented the city's application for the erection of 300 houses on land provided by the city, 200 of which would be available for war workers' families certified as such, 100 for families of soldiers overseas, and civilians, this latter group to be erected and operated under a similar plan to that provided in the city of Halifax.

The difficulty is that soldiers' families have been particularly affected by the lack of accommodation. For some reason or another, which I do not consider warranted, many landlords have refused to accept soldier tenants. I have a number of them myself and I find them very satisfactory. In fact, I could have rented the buildings for much more, but I would not be guilty of turning out a soldier's wife and family, particularly when he is overseas defending, not only myself, but everybody else. However, everybody does not treat them in that way, and therefore we have a serious problem. To continue with the brief:

> We were advised that directions respecting housing for war workers should emanate from the Department of Munitions and Supply and for those coming within the other groups from the Department of Finance, or more directly the national administrator of real property.

Here is what the city submitted as some of the reasons for its urgent need of help in this regard.

Respecting the provision of houses for war workers' families, it is our intention to confer with the Hon. Mr. Howe, as His Worship the Mayor has been advised by company officers that the Massey-Harris company requires immediate accommodation for 100 families and the Toronto shipbuilding company for at least a similar number. The problem of housing for war workers, however, is part of the general housing prices of the city, which can be coped with only by authority of war-time powers, vested in the national administrator of real property. We therefore request that you give consideration to the problem as a whole, as well as giving particular attention to the housing problems of the specific groups namely, soldiers' and civilians' families.

That paragraph I have quoted indicates the difficulty which the city faces of providing accommodation for the large influx of workers into plants making munitions, such as Massey-Harris company and the shipbuilding company on the bay, both of which are almost wholly engaged in war production, and whose workers should be given accommodation. If they have to go a long distance out of the city, it shortens their hours or tires them out on the job. I believe the city offered to provide a piece of land, forming a part of its property, not far from the Massey-Harris or the shipbuilding company. The city has a good deal of land there which it owns through the harbour commission, and it offered to turn that land over if Wartime Housing would assist in building the necessary houses. What has happened I do not know, but certainly the problem is a serious one. People have been coming in from all over the country, a great number of them from Saskatchewan, Manitoba and Alberta, and they have all shown themselves to be good workers. It is imperative that they be given adequate accommodation for themselves, their wives and families. It is a menace to health, to morale, and to the city generally that men and women should be crowded into such small quarters as many of them are obliged to inhabit. I have before me one report showing that twenty persons, of whom fifteen are children, are crowded into one small house of seven rooms. That is wholly inadequate, and if the ministers' department has not yet acceded to the request of the city, I appeal as strongly as I can that consideration be given that request. The city has contributed extensively to every cause. It contributed almost half of the amount of money raised in Ontario, which was itself about one-half raised throughout the country, in connection with the war loan, and it has also contributed generously to the Red Cross and to every worth-while call that has been made. It has been most devoted in its support to all these causes and is entitled, therefore, to consideration.

[Mr. MacNicol.]

Here is a clause that states what must be done:

Apart entirely from any further aggravation of the problem that would arise from a continued new influx of war workers, the present housing crisis must be solved either by "freezing" the present housing occupancy and prohibiting evictions for the duration of the war, except in cases where other satisfactory accommodations are available, or by the provision of new dwelling units sufficient to take care of the present excess population of the city as it is forced out of its present temporary quarters.

The magnitude and urgency of the problem is indicated by the supporting material attached hereto. In that material, we have submitted a list of some 200 families facing the immediate necessity of vacating their present premises, whose cases are in the hands of our city welfare department. There is no alternative accommodation at present available for these families. One hundred and fifty court orders to vacate are present pending. The "housing questionnaire", uncompleted, shows 603 families needing housing. Much other material is presented showing the urgent need. It has been impossible to prepare figures on the number of notices to vacate that have been served on tenants in Toronto since December 9, when the order requiring a year's notice became effective. There is good reason to believe that the number must be in the hundreds.

This is a big problem, one which has not been brought about by the city itself. These plants, many of them such as John Inglis, belonging to the government, are making munitions and there has been a great influx of people into the city. So far as I can see, it is mainly a government problem because these people have come to the city to work in government plants. When you build a plant in Toronto; when you bring people into the city, then it becomes your problem. I admit that it is a big problem. The city is willing to cooperate in providing accommodation for its people. I do not think I need read any more from this large brief, which speaks for itself, except some recommendations that are made as follows:

1. That the eviction of families of members of the armed forces be prohibited pending construction of new dwelling units, except in cases where other accommodation, considered satisfactory by the proper city authorities, is available.

2. That regulations should be set up to provide that where it becomes necessary for any agency to bring additional families into the city of Toronto, or adjacent municipalities—

York South, York East, York North and York West.

—specific housing accommodation should be provided in advance.

3. That a proper record be established of sale of houses and the issuance of notices to tenants to vacate.

That is only reasonable. The mayor of Toronto, Doctor Fred J. Conboy, has his heart and soul wrapped up in trying to provide relief for his people. I believe he came here to see the minister and his officials after having made a survey of Toronto. I am speaking from memory, but I believe he stated that there were in the city at least 300 large houses which could be converted into apartments, three, four or five units to a building. I understand that something along this line is to be supported by the government. If so, I should like the minister to give us the details. I wish to know also if the minister can consider the suggestion the city made that a considerable number of homes be built on city-owned property.

Mr. ISNOR: Mr. Chairman, I should like to say a few words with regard to wartime housing as it exists in Halifax. I did not intend to take part in this discussion except that my name was drawn into it by the hon. member for Mackenzie (Mr. Nicholson). He was referring to the difference of opinion which had existed between the hon. member for Rosetown-Biggar (Mr. Coldwell) and myself two years ago, but I do not know that that has any great bearing upon the item we are discussing of $30,000,000 for housing development. I wish to approach this question in the same reasonable manner as that of the hon. member for Davenport (Mr. MacNicol). The hon. member asked the minister to consider the problem they have in Toronto and he presented a reasonable case. I am sure that the minister will give consideration to this problem. I propose to approach the minister with the same thought in mind.

For at least two years the hon. member for Mackenzie has been dealing with this question of housing, but it has always been in a critical mood, he has been criticizing expenditures, overhead, stating that costs were excessive and so on. I have studied the figures he has given from time to time, as well as those presented by others who were supposed to know. The chairman of the wartime housing board gave definite figures and I am sure he had available the costs of the various units.

This is a very large project, one which has been developed during the past twenty-eight months. Practically nothing had been done when the board was appointed in February, 1941, but they gathered together the best architects in Canada, drew up plans and decided on the types of home which would best meet the emergency. We are faced at the present time with a shortage of houses, brought about largely by the needs of war workers who have gone to the urban centres. Steps were taken to provide suitable homes of a temporary nature for these workers. Instead of being critical of the Minister of Munitions and Supply for the efforts he has made, I think we should realize that this project has been handled in a splendid manner. I realize that he has not been able to give all centres the number of houses they have asked for, but an effort has been made to meet the situation.

In Halifax attempts have been made from time to time to meet this problem. We approached the minister with the request that something like 600 houses should be erected. This would be in addition to the 1,400 to 1,500 houses which had been erected in and around Halifax. In Canada since December 1, 1942, a total of 17,441 houses, 93 staff houses, 10 dining houses, and 32 special buildings such as administrative buildings and recreation centres have been erected by the government at a total cost of something like $70,000,000. With these figures before us we realize what a large undertaking this has been. When we consider the large number of units that have been erected and the small number of complaints that have been made, I think we must agree that the Minister of Munitions and Supply should be congratulated upon the able manner in which he and Wartime Housing Limited have carried out this project.

I do not know which set of figures is correct, but I have in my hand a copy of an article which appeared in the *Canadian Editorial Digest* and which gives the average cost of the houses erected to date throughout Canada as $1,959. For the province of Ontario the average cost was $1,927, and for the city of Hull, to which the hon. member for Mackenzie has referred so often, the average was $1,889, as against the figure of $2,869 which the hon. member quoted.

Mr. NICHOLSON: What is the hon. member reading from?

Mr. ISNOR: I am giving the figures shown in the *Canadian Editorial Digest,* and I believe a magazine of this kind would make sure of its figures. It goes into the development of the whole scheme in a thorough, businesslike way; it states the number of houses erected and so on, and then gives the average cost. I am not going to say anything further on that point except that these figures certainly are quite different from those given by the hon. member for Mackenzie.

Mr. NICHOLSON: Would the hon. member permit a question?

Mr. ISNOR: I sat quietly and listened to the hon. member, but I shall be pleased to answer his question.

Mr. NICHOLSON: I wonder if the hon. member would believe the figures if he saw them in the contracts. I have them here, and the contract price is given as $2,705, according to a return brought down a year ago. I shall be glad to send them over to the hon. member, and I feel sure he will accept these figures.

Mr. ISNOR: I am quite prepared to accept the hon. member's word that the figures he has quoted were given in a return. I am simply stating the average cost of these homes throughout Canada, and particularly in the province of Ontario and the city of Hull. As a business man naturally I would want to go into these figures which the hon. member has kindly sent over to me, in order to see whether they cover simply the cost of construction or take in other items as well. Perhaps the hon. member for Mackenzie may not have gone into all the factors as closely as he might. Recently the hon. gentleman was good enough to pay a visit to the city of Halifax. I would not, of course, think he went there for political reasons at all, at a time such as this; but with all the publicity the hon. member has obtained through his criticism of Wartime Housing; in spite of the fact that he stayed in Halifax for a few days—and I hope he enjoyed himself while there—and the fact that he was going to speak there, I venture to suggest that he was not waited upon by a delegation of tenants from the wartime houses to lodge a protest. I would go farther and venture to suggest that he did not receive ten individual protests during the time he was in Halifax, or in fact that he did not receive three protests during his stay in that city. If I am correct in my assumptions; if he did not receive any protests following the erection of 1,500 homes in that city, I say the houses built under this scheme must be carrying out the purpose for which they were intended, namely, to house the war workers and others who were brought to Halifax for a particular purpose.

Naturally I am concerned about the situation in Halifax. I want to see more houses there; I think we need more houses, and I ask the minister to give serious consideration to the erection of more homes in that city. The situation that exists in Halifax to-day has been brought about by the fact that Halifax has become a national port, and there has been an influx of an additional twenty-five to thirty-five thousand people. The hon. member referred to the building of new slums. I doubt if any reasonable member who studied the lay-out of that new section, who saw the care that was taken, who looked into the general construction of the homes and observed the general surroundings, would say that we were building new slums in the construction of these wartime houses. I think his statement is a very unfair one to make, and I do not think it will help us in meeting the housing situation as we are endeavouring to do at the present time. I quite agree with the hon. member as to the desirability of permanent basements and solid walls; I emphasized those points when the city of Halifax made application for the additional 600 houses to which I have referred. I suggested that they should be of a little better type and should be constructed in sections of the city which would give a greater resale value when the time came to dispose of them. I believe if the houses could be of a better type, with permanent basements or with provision for the addition of permanent basements later on, not only would it add to the resale or salvage value of the houses, but it would give the people now ocupying them something permanent which they could call their own, thus helping to make them better citizens.

Then the hon. member referred to children kicking holes in the walls. Well, if he would examine the walls of these houses, as I have examined them on more than one occasion, he would not make that statement. A child could no more kick a hole in a wall of that type than in any other wall. The hon. member also said that the overhead is high. He did not elaborate on that point; he did not say what he meant by the overhead, whether it was overhead in connection with the operation or the upkeep. My information is to the contrary, that the overhead is particularly low, as it should be at the present time. We should not have any real depreciation or expenses in connection with repairs to these houses for some four or five years. I do not think the cost of upkeep is a bit higher on a percentage basis than in connection with any other type of construction. It is all very well for us to find fault with efforts of this kind. We can all be critical, but it takes really constructive ability to plan a venture like this, running into $70,000,000. A few mistakes are bound to be made, perhaps in selecting the type of house, or something of that kind. Perhaps the hon. member had in mind something of a more permanent nature, but that could not be undertaken on this basis because the cost would have been very much greater.

Then the hon. member mentioned houses built with an investment of $750. That was under national housing. The people who are occupying these prefabricated houses are not in a position to make an initial payment of anything like $750 or $500 or even $350. They are temporary employees carrying on war work. No doubt Wartime Housing had that in mind when they built houses of this type to accommodate people of this kind. Even if some of these people had $750 in their pockets or in savings accounts, I doubt whether they would want to invest it in houses in the section in which they are now living. So that I say the national housing scheme and the wartime housing development are entirely different. Personally I favour the national housing scheme for permanent homes, except that it should start at a lower figure. I am hopefully looking forward to the day when once again we shall have a measure operating in full force throughout the dominion, and when again we shall have an opportunity to invest and to build homes along the lines laid down by the national housing scheme.

Then the hon. member criticized the Minister of Munitions and Supply for not meeting his request to supply hon. members with a plan. I cannot recall the details, but if I remember correctly that was a plan which had not yet been approved or released. In the same breath the hon. member asked why Wartime Housing did not do the same as the national housing authorities had done, and encourage the people to send for plans. I believe the encouragement given by the national housing authorities was to select a plan which could be purchased for $10.

Mr. NICHOLSON: They had plenty of free ones.

Mr. ISNOR: One could look at plan 10, 11 or 12, or whichever plan he wished, and then he would pay $10 to procure a copy of it. That is quite different from the idea expressed by the hon. member.

Mr. NICHOLSON: Would the hon. member suggest that the national housing authorities would not produce specifications for any member of the house?

Mr. ISNOR: I am not suggesting anything. I am just stating the facts as they exist, and explaining away some of the misconceptions which might arise from the speech of the hon. member. I could say, "We will send to National Housing and procure a set of plans and specifications." We could not get them from Wartime Housing. They are two different things, and they must be approached in a different way.

I have spoken longer than I intended, but I do not wish to lose the opportunity of saying a word respecting the situation in Halifax. Certain groups in that city have organized meetings and passed resolutions which have been sent to the minister. This action has been taken by the city council, and by other social agencies. The minister has given sympathetic consideration and kind attention to the requests made. Some time ago he met a deputation from Halifax, and asked how many houses were required. I believe he was told that at that time the city would require 600 houses. He said, "Well, go ahead with 400, and after you have completed them you may come back and we shall see what can be done about the other 200." The big problem in Halifax, one which no doubt exists in other places, is that the city could not quickly provide suitable sites to take care of 400 houses. The result is that to-day we have only 225 of those 400 houses. So that it is not altogether the fault of Wartime Housing Limited or the Minister of Munitions and Supply that we have not sufficient housing in Halifax.

I would ask that the minister give favourable consideration not only to the recently expressed request for the speeding up of the building of the remaining number of houses, but that fire protection for those houses should be arranged. Fire protection in Halifax involves a heavy additional outlay, owing to the increased population in the city, and the additional number of war-time buildings which have been erected. Then, more police protection is required. While I do not wish to introduce another factor for the consideration of Wartime Housing Limited, still I must urge that fire protection and police protection for these homes are matters closely connected with any building scheme, and I would ask the minister to consider the providing of a lump sum to defray expenses entailed by those increased responsibilities.

There is another subject, namely, that of health protection, which I would bring to the attention of the minister.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. FRASER (Peterborough West): Mr. Chairman, nearly every war-time house at the present time has a victory garden. Throughout the country, wherever there are war-time

houses, community houses have also been put in, and they have been of great help. The people who live in the war-time houses have had meetings in these community houses, and after their day's work the men who work sometimes from seven in the morning until six at night, and perhaps go back for a while to work after supper, and work even on Sundays, have in their spare time cultivated victory gardens. In Peterborough, the city which I represent, some families moved into one section on the first of June and immediately began to cultivate victory gardens. They planted their seeds, and last week were pleased to see that the potatoes were coming up and that the lettuce, radishes and carrots would be ready, too, perhaps this week. Then, without any notice whatsoever to these people, Wartime Housing comes along and planks sheds right down on these victory gardens, tramping the lettuce, radishes and potatoes right into the ground. That was a shame. I know the minister is not to blame for it, nor is the president of Wartime Housing, but somebody is to blame for it. The people who have tended these gardens are mad. A man who telephoned me about it started out by saying, "Now, Gordon, if these telephone wires burn up before I get this thing off my chest I want you to call around and see me on the way to your train." He asked me what I would do if I had been one of these men. I hesitate to say in this house what I would have done. These people are naturally very much upset over it all, and I feel that Wartime Housing, the president of which was here to-day, should see to it that these sheds are not put on these victory gardens without the consent of these people. It is worse than sacrilege to tramp down a man's garden after he has spent hours and hours digging and cultivating it; it is just as bad as tramping on a grave, if not worse. I have no criticism of Wartime Housing. I know that in Peterborough we simply had to have war-time houses or some other kind of housing. We would, of course, have preferred permanent houses to be built under National Housing, but we were given to understand that these houses put up under the war-time scheme would be moved or torn down within six months after the war or as soon as possible thereafter. I hope that will happen.

I also hope that in the future Wartime Housing will not put their houses in restricted districts, because that always causes friction and hard feeling not only toward Wartime Housing but toward the war effort in general.

I have here a letter in regard to putting these sheds on the victory gardens which I wish to read. It was addressed to me and is dated June 20. It states:

I have been instructed to write to you regarding the practice of the Wartime Houses, Limited, in erecting outsheds in the rear of their houses. In many cases these sheds have been erected in exactly the same spot as the occupant of the house has planted his garden.

These people were evidently not advised that these buildings were to be set up and naturally went ahead with the planting of their victory garden as requested to do so through the newspapers and other publicity. It seems too bad to have these gardens destroyed in this manner especially at a time when the production of food is so urgent and we wish to protest strongly this action of the part of the Wartime Houses, Limited.

This action on the part of the Wartime Houses, Limited, certainly does not lend itself to encouraging these people to go ahead with their gardens.

Yours very truly,

G. G. Torrence,
Secretary-Treasurer, Peterborough,
Branch No. 52, Canadian Legion.

Another point that I want to mention in regard to Wartime Housing is that there have been requests from time to time from soldiers' families to occupy these houses. I hope that in the future soldiers' families will not have to go through as much red tape as they have had to do in the past to occupy one of these houses.

Another thing that has come to my attention is the protest that has been made by municipalities right across this country in regard to the smallness of the allowance which the government makes to the municipalities for taxes on wartime housing. It is absolutely too small an allowance to provide for police protection, schools, supply of water and other services which the cities give. Wartime Housing and the government should see to it that in the future the municipalities are reimbursed a little more adequately than they have been in the past.

In regard to Wartime Housing staff houses, I had a return brought down on April 8 of this year. The second question which was answered by the return was as follows:

On what terms are they (the concessionaires) allowed the use of the staff houses?

That is the concessionaires who cater to the different Wartime Housing staff houses in Canada. The answer to that question was:

The agreement between concessionaires and Wartime Housing Limited is generally to the effect that for a fee of 5 per cent of the gross income the concessionaires operate the cafeterias for the account of Wartime Housing Limited. The concessionaire is limited to a maximum fee

of 5 per cent. Out of this fee, he must supply the necessary skilled staff, supervision and the services of his head office. . . .

The head office might be in Toronto, where I believe it is. That is all he has to supply, just his own head office, except perhaps one man. The answer goes on:

There have been variations of the foregoing agreement, namely, at the Prince Rupert and Hamilton staff houses, but these are being standardized in accordance with the above.

Question 3 was this:

Do they pay for (a) breakage and repairs to equipment; (b) wages of the dining room and kitchen staff?

The answer to the first part of the question was:

(a) The breakage and repairs to equipment are for the account of Wartime Housing Limited as part of the cost of food service.

In other words, the concessionaire does not have to pay for breakages, and of course does not have to supply kitchen utensils or anything else. The rest of the answer was:

(b) The wages of the dining room and kitchen staff are for the account of Wartime Housing Limited as part of the cost of food preparation.

In other words, the concessionaire does not have to pay anything at all toward the upkeep of the staff house diningroom. I would ask the minister to explain why the concessionaires were allowed to cater on a contract like that. I understand that in Peterborough alone there is a loss of $5,000 a month.

Another return I got shows the number of men or women occupying these different staff houses. In Peterborough, on December 31 of last year—I do not think the figures have changed since then—there were, according to this return, only ninety people in this staff house.

I suggested when we were on the army estimates that perhaps staff houses could be used for military hospitals. I think it would be wise if that could be done.

I have here another return, dated May 14, 1943, regarding rates charged for meals, single rooms, double rooms, et cetera, in staff houses; and Fort William has preference over all other places in Canada. In Fort William you can get a single room for $12 or a double room for $10 a month. The lowest rate at any other staff house in Canada is $3.50 a week for a single room or $2.50 for a double room. Why is Fort William given preference in the matter of rates? In many instances these rates are too high, and that is why men will not occupy rooms in the staff houses.

Mr. DIEFENBAKER: I do not believe we have yet had particulars as to the distribution of the amount—slightly over thirty million dollars—expended over the past year in the different provinces. I raise this matter also with a view of placing before the minister a situation which prevails in the town of Davidson, Saskatchewan, within my own constituency. About a year or so ago an airport and elementary school were established there. The result is that housing is almost impossible to get for those who are attached to the staff or connected with the development. It is difficult for private individuals to build to-day, for the reason that they are hampered under the regulations. I ask the minister at this time to consider our situation. I would have done so by letter but for the fact that I received this letter to-day and thought the opportunity offered itself at this time to place the matter before him. In various places in Saskatchewan there is a decided shortage of houses and housing accommodation for those connected with the airport. I ask that consideration be given to the erection of some wartime houses in that province.

There is another matter I wish to draw to the attention of the minister. To-day the purpose of government departments should be as far as possible to reduce unnecessary expenditures to the minimum. The Department of Munitions and Supply has the full personnel and machinery necessary to operate the wartime housing plan; yet a new body has been set up in connection with housing; it was established on April 1 and has been materially extended as from June 4 of this year. The relevant order in council is P.C. 4579, and it gives the Minister of Finance the power to relieve the housing situation in the city of Ottawa and elsewhere in the Dominion of Canada, particularly in the cities of Vancouver and Victoria. It gives the Minister of Finance power to acquire by way of lease from the owners thereof not more than forty suitable dwellings located in the city of Ottawa for the purpose of converting the buildings into multiple housing units. It gives the minister power in the cities of Vancouver and Victoria to acquire not more than fifty suitable buildings for the purpose of converting the said buildings into multiple housing units, the terms of the lease to be a period of five years subject to termination within a period of one month at any time prior to the lapse of the said period. Under that scheme, according to a press announcement of June 7 issuing from Ottawa—

. . . several millions may be spent converting large old houses into four and five family dwellings, with plans in many cases by private architects and work by established builders and general contractors.

This news item goes on to say:

> Fifty houses will be converted at $250,000 at Vancouver-Victoria with a Vancouver office to be opened at once, private architects retained variously for sketch planning, preparation of working drawings and possibly in certain specifications, and contracts arranged.

The plan is to be expanded to embrace Toronto, Montreal and other cities.

Now, not only have we Wartime Housing Limited under the Department of Munitions and Supply, but a new set-up has taken place, beginning in April and extended in June, under the Department of Finance, which will mean a duplication of staffs in the various cities affected and an increase in the numbers of those employed in order to furnish war-time housing, when we already have a branch of the Department of Munitions and Supply able to do this work.

I suggest that the information placed before us in the estimates for Wartime Housing does not tell the full story; it makes no reference at all to this new scheme under the Department of Finance.

What is very serious in connection with this latter scheme is that, while parliament was sitting, an order in council was passed without submission to parliament, empowering a setting up by the Department of Finance of a new department to deal with war-time housing or one phase of it and to expend at the present time half a million dollars and it will increase; according to the news item it may run into several millions. Why, in setting up this new type of war-time housing, was it necessary to go outside the minister's department and establish another staff with a new personnel? All these things mean extra expenditure, and thousands of dollars could have been saved by the simple expedient of bringing this phase of war-time housing under the present administration. There is no justification for the action that was taken when man-power is as limited as it is and the money is needed for the war effort. I should be glad if the minister would give an explanation.

Mr. HOWE: Perhaps I should intervene at this stage to answer some of the questions that have been asked. The hon. member for Mackenzie (Mr. Nicholson) has never appreciated the difference between the national housing plan and Wartime Housing Limited, the purpose of each and how each operates; otherwise I do not think he would be constantly comparing the two plans. The national housing plan has been in existence for a good many years; I believe it was put in workable form about 1936 and it has been carrying on since then. Under that plan a private owner desiring to build a home can

obtain certain financial assistance from the dominion government; or as my hon. friend says, partly from loan companies and partly from the dominion government. The loan companies take a certain part of the risk and the dominion government a certain part; the private owner makes a certain original investment, and the house is built by the owner. That opportunity has at all times been available to those desiring to build and own their own homes. Right through the war it has been, and is to-day, available, as it has been for several years. Nothing that Wartime Housing has done interferes in any way with the national plan, but it takes care of a different need for housing.

In comparing the administration of the two plans, the hon. member is again comparing two different things. The national housing administration is in the position of a mortgage company. It is not responsible for building the house, but is simply responsible for the loan making sure that the house is a desirable house on which to place a loan, and in seeing that the details of the loan are worked out. On the other hand, Wartime Housing Limited actually builds houses. It acquires land, and arranges for the sewer, the water and all the facilities; it buys the material and builds the houses, and after a house is built it operates the housing project. National Housing is not responsible for collecting rents or anything of that sort. It must, of course, intervene if the payments on the house are not made over a period, but it is not its job to go each month and collect rents and in general to administer the property, whereas, in the case of Wartime Housing, its job is to collect rents and generally to administer the project. So that in comparing the cost of administration my hon. friend is comparing two totally different operations, operations that are not comparable in any way.

As to the job of Wartime Housing, hon. members know that Canada has been building and enlarging her industrial structure. Large plants have been built in certain communities and there has been a considerable influx of population to these communities. The shift in population is probably temporary, at least in part. There has been a temporary need for housing in order to permit these factories to operate. The function of Wartime Housing, and the only function for which it was originally designed, is to enable the factories and war plants to function by providing houses for the men and women brought in to be employed in these plants.

Wartime Housing does not enter a community unless there is need for industrial workers in excess of those that can be housed in

the community. I would also point out that the location of houses in the community is governed by the proximity to the plant which the houses are intended to serve. It is not the function of Wartime Housing to go in for elaborate schemes of improving cities.

I think Wartime Housing has carried out that job well. Certainly no war-time housing community can be properly called a slum. The houses are as well located as proximity to the plant will permit. The houses are well spaced, playground accommodation is afforded; the houses are attractive in appearance. It has been stated here to-day that the tenants occupying these houses take pride in their property. They go in for victory gardens and for community projects of one kind or another for the betterment of the war-time housing centre in which they live. Here again, I may say, these houses were put up to serve a war-time need. It is anticipated that in most cases the need will pass and that the houses can be dismantled and disposed of, perhaps to be moved into other areas. Therefore they have not been built with a view to permanence. However, they have served and are serving a war-time need. The tenants are satisfied tenants, and to me it is always a pleasure to drop into a war-time development and talk with those resident there.

The hon. member for Mackenzie has given rather an Alice in Wonderland picture of the costs of these developments. He seems to be wholly confused by the returns he obtained. I have not been able to detect that any of the returns were in error, but he seems entirely confused in attempting to interpret the information given in the returns.

There are two items of cost in building a war-time housing development; one is the cost of the houses and the other is the cost of the streets, water-mains, sidewalks and improvements that go with the houses. In building war-time housing, it has been our policy not to place additional burdens on the community in which the houses are built. It is the policy to build and pay for the local improvements incidental to projects of this kind.

We are building houses in considerable numbers. If we were building one, two or three or ten houses, it would be possible to find lots of existing improvements and build on those lots without considerable expenditure for development. In building 100 or 200 houses, that is not possible. The problem therefore is to buy an area of farm land or undeveloped land and to build streets, sidewalks and sewers as part of the project. To March 31 last Wartime Housing had spent some $48,000,000, and of that amount $10,000,000 was for improvements to property.

Mr. TUSTIN: How many houses have been built altogether?

Mr. HOWE: I put that on *Hansard* the other day: 15,802 have been built in seventy municipalities. The average cost of all the houses that have been built was $2,229.

Mr. FRASER (Peterborough West): Would that include the sidewalks?

Mr. HOWE: No. The average cost of the two-bedroom houses alone was $1,959.

Mr. NICHOLSON: What was the average cost of the services for all houses?

Mr. HOWE: Approximately $500 per house. In connection with the Hull project, the costs of the houses according to the contracts, and as taken from the auditor's statement of Wartime Housing Limited, is as has been stated; for the two-bedroom houses, it was $1,889.13, and for the four-bedroom houses, $2,939.87. The remainder of the cost was made up by the indirect items to which I have referred, such as sewers, streets and grading.

Mr. BOUCHER: What would be the average cost of those per house?

Mr. HOWE: I do not know. I brought down the total cost of the project, and my hon. friend can figure that out for himself.

Mr. NICHOLSON: The return brought down on May 17 gives the cost of the Hull houses as $2,750 and $3,935.

Mr. HOWE: Those figures would include improvements and services, would they not?

Mr. NICHOLSON: The minister mentioned $500 for those.

Mr. HOWE: I said that was the average for Canada. My hon. friend has the information; perhaps he can give it to the hon. member for Carleton.

Mr. NICHOLSON: According to the contract which was brought down on May 13 a year ago, the cost per unit for the first 100 houses was $2,705. What happened to that particular contract?

Mr. HOWE: My hon. friend has asked for returns at different times, and he now asks me to reconcile them. He has the returns and I have not. I have given him the average cost of the houses in Hull, obtained after the project was finished and all the costs were in. I ask him why he worries about it anyway. He has the information; let him use it. My hon. friend referred to the salary paid to Mr. Goggin who was engaged in the

early days of Wartime Housing at a salary of $10,000 a year. Since that time the activities of Wartime Housing expanded greatly; it was felt that Mr. Goggin's responsibilities should be extended to that of managing director, and his salary was raised to $12,000 a year. When we engaged Mr. Goggin he had had a great deal of experience in connection with housing projects in the United States. As we all know, he is a Canadian; he was educated in Canada, but he has worked in the United States for a number of years on housing projects. He is an able executive, and I think the success of Wartime Housing is in no small way due to the background of experience that he brought with him. I know something about Mr. Goggin's past experience, and I can say that the salary he has obtained from Wartime Housing has been considerably smaller than any salary he received in the last twenty years.

In the expenditure of government money for any purpose supervision is required, and it has been the policy of Wartime Housing to engage a local architect to supervise the building of houses in his area and to attend to all matters that might come up in a building project of this kind. The fee paid to the architect is a modest one. There is a standard fee of one per cent of the cost of the project up to $1,000,000, and if the cost is more than that, the fee is cut back to three-quarters of one per cent. I think anyone experienced in building will appreciate that these are low fees.

Mr. FRASER (Peterborough West): For that fee they supervise the building?

Mr. HOWE: That is right.

Mr. HANSON (York-Sunbury): While the fee is low, they would have little work to do.

Mr. HOWE: I am not so sure of that. There is a good deal of work to be done in connection with a housing project. I have never known one to flow along just like a millstream even though there is a sameness of design.

Mr. HANSON (York-Sunbury): It is mass construction.

Mr. HOWE: But the materials have to be assembled, checked and approved. I think there is plenty of work. My hon. friend referred to North Vancouver and referred to the answer to questions which appear on page 951 of *Hansard*. This is a good example of the distorted cost that is obtained when such items as clearing, stumping, road building, sewers and water mains are mixed up with the housing cost. The contract unit price for the houses in North Vancouver is $1,688 for the two-bedroom house and $2,177 for the four-bedroom house. The incomplete average cost of the houses, including all the things referred to in the question, is $2,996.97. That is the cost, including stumping, clearing, sewers and grading. I think I have pretty well covered the ground traversed by the hon. member for Mackenzie.

Mr. NICHOLSON: I am still not satisfied with the Hull costs. On March 4 answers are given to some questions which were asked by the hon. member for Lincoln (Mr. Lockhart) with regard to the cost per unit of the dwellings erected in Hull. The answers given were $2,939.87 for the one project and $2,941.10 for the other. The same answers were given on the same day to some questions I had asked. My questions were:

1. What was the per unit price of each of the 100 houses built by Wartime Housing Limited in Hull?
2. What was the per unit price of the group of 50 houses built in Hull?

The answers were:

1. $2,939.87.
2. $2,941.10.

I have the contract here. The contract, without saying anything about the sewers or the streets, gives the price of $2,705 for the original group of 100 houses. I do not see how the minister can reconcile these figures with those he has just given, because in addition to these costs you have approximately $700 for sewers and other services in Hull.

Mr. HOWE: Yes, $760 per house. Let me explain. If my hon. friend will take the average cost of the houses that I gave him and add the $760, he will get $2,941.10, I think. In any event, if he will take the total expenditure in Hull and divide it by the number of houses, he will get that figure.

Mr. NICHOLSON: No; I will not.

Mr. HOWE: Then if he will come down to my office, I will explain it to him. As I say, he takes an Alice in Wonderland look at figures and gets himself all worked up, but we will explain any figures we have given.

Mr. NICHOLSON: I submit that these are not Alice in Wonderland stories; they are from official documents. The minister has the president of Wartime Housing before him, and I think this is the time to get the record straight.

Mr. HOWE: I can give the figures in great detail; I have all the information now, exactly what each house cost. The thing that has

perhaps thrown out the figure is the item of $43,500; is that what the hon. member is worrying about?

Mr. NICHOLSON: No. I have the total as brought down in this return. For the whole project the cost given here is $530,125; that is what it has cost the taxpayers of this country to build these houses. According to the return, the average cost was $2,750 in one case and $3,935 in the other. There is a discrepancy of $58,000 in the minister's own figures, which I wish he would explain.

Mr. HOWE: I can explain $43,000 of it. Certain work was carried out at Hull which was later transferred to Ottawa.

Mr. NICHOLSON: That still leaves $15,000.

Mr. HOWE: I have the entire file here, and if my hon. friend cares to spend a quiet Sabbath studying it, I shall be glad to let him do so.

Mr. NICHOLSON: But I think this committee deserves something better. The president of Wartime Housing gave a statement to the press in which he contradicted the figures brought down in this house by the minister. Then the only reply he made to the request which appeared in *News* was:

Pigott Construction Company Limited
Engineers and Contractors
Pigott Building
Hamilton, Canada

May 6, 1943.

News,
63 Wellesley St.,
Toronto,
Ontario.

Dear Sirs:

Kindly cancel my subscription to *News*.

Yours very truly,

Joseph M. Pigott.

That is not a good reply to charges as serious as these.

Mr. HOWE: Let my hon. friend tell me the charge, if there is one, and we will get to the bottom of it. If my hon. friend makes a charge he stakes his seat on being able to prove it. Now tell us the charges.

Mr. NICHOLSON: The charges are that certain information was given in the house regarding the cost of the houses in Hull, and the information brought down at that time does not correspond with the information given to the press by the president of Wartime Housing or with the information that has been given to the committee to-night by the minister. I submit that since I spoke this afternoon the minister has had plenty of time to examine this sessional paper which gives the costs in connection with the project in Hull. To tell me to come to his office some Sunday afternoon is not good enough. Now is the time; the committee should have full information. I have this return; I shall be glad to send it to the minister if he has not seen it, because the average cost given here for the fifty houses built by day labour in Hull is $3,935, and even if you subtract $760 from that total you do not get the figure the minister mentioned a short time ago.

Mr. HOWE: I have the figures for the Hull project in great detail. I shall be glad to put them on *Hansard* or to give them to my hon. friend, but I cannot sit down now and try to run over the tangled course my hon. friend has been following in connection with this Hull project in the years he has been talking about it. All I can do is give him the accurate information, which balances out to the last cent, and which has been certified by auditors as the correct Hull cost. I shall be glad to give him that and we can start all over again.

Mr. NICHOLSON: But am I to believe the information the minister now places on record?

Mr. HOWE: Is my hon. friend suggesting that he does not believe it?

Mr. NICHOLSON: I do not know which to believe. The information we are getting to-night is not the information that was brought down in this return.

Mr. HOWE: Serious charges are being made here. Supposing we refer the whole matter to the public accounts committee. My hon. friend has made charges, and if he cannot substantiate them his course is clear. If he can substantiate his charges my course is clear.

Mr. BOUCHER: Perhaps, to pour a little oil on the troubled waters, I might ask the minister to consider a return which was brought down on March 4 of this year, in reply to a number of questions by the hon. member for Lincoln, in which the following information was as to the additional charges in connection with the Hull project:

(a)	Land acquisition	$ 2,197 50
(b)	Installation and improvements to sewer and water services	90,560 01
(c)	Grading, paving or surfacing streets	19,079 21
(d)	Construction costs per unit:	
	Hull No. 1	2,939 87
	Hull No. 2	2,941 10
(e)	Landscaping	2,372 49
(f)	Installation of electricity on the street allowances and right of way	1,485 52
(g)	Connecting of electricity to dwelling per unit	9 90

These costs would not bear out the statement made by the minister as to the average cost per unit in Hull; yet this was a return brought down for the hon. member for Lincoln on March 4 of this year. The committee deserves an explanation of these figures.

Mr. HOWE: The explanation is that there were forty houses built as part of the Hull project which were actually in Ottawa as part of a research development. There was work done at Hull; the costs went in with the Hull costs and were later transferred to Ottawa. I think the mix-up occurs in connection with those forty houses.

Mr. HANSON (York-Sunbury): Were 150 houses out of the total project in Ottawa?

Mr. HOWE: No; there were 150 in Hull alone.

Mr. HANSON (York-Sunbury): But the total cost of both projects was $530,000?

Mr. HOWE: Yes. I do not think we need waste any more time on this. If anyone has any doubt about it, or if anyone says there is anything wrong, I will demand an investigation by the public accounts committee, as is my right.

Mr. HANSON (York-Sunbury): I want to know if the actual cost of this project was $530,000, including the local improvements, the clearing and everything?

Mr. HOWE: Yes.

Mr. HANSON (York-Sunbury): That is a definite figure?

Mr. HOWE: To proceed, Mr. Chairman, the hon. member for Davenport was discussing the housing situation in Toronto. Again I would remind hon. members that the purpose of Wartime Housing Limited is to provide accommodation for men and women working in war industries. We have built about a thousand houses in the environments of Toronto near industries which were not properly served with houses. We have not built wartime houses within the city limits of Toronto, and I may add that we have never had an application from any plant in the city of Toronto for wartime houses. There is a difference of opinion in the city council itself as to whether the city of Toronto has adequate housing to meet war needs, or whether it has not. Representations have been made to the effect that it had, and to the effect that it had not, by those in the city administration. However, we have satisfied ourselves that there is sufficient housing in Toronto to meet the requirements of war industries. Therefore, if there is a housing problem, it is a problem having to do with civilian needs, namely, non-war needs; and therefore accordingly it does not come within the purview of Wartime Housing Limited.

My hon. friend, the senior member for Halifax (Mr. Isnor) has spoken of the projects in that city. Halifax has been one of our greatest problems, owing to the congestion which has arisen from the war activities in that area. Up to the present time there has been spent on housing in Halifax the sum of $7,973,016. This has provided 1,464 houses, fourteen large staff houses, two dining halls and other miscellaneous buildings.

Then, the hon. member has mentioned fire protection. Wartime Housing Limited maintains a separate branch which is constantly engaged in fire protection, not only from the point of view of equipment, but in the use to which such equipment is put, and in the fire drills which must accompany it. This must be kept up to schedule.

The hon. member for Peterborough West (Mr. Fraser) has mentioned the situation in his city. The outhouses to which he referred were, I may say, coal sheds, and not the outhouses which are sometimes found in connection with more primitive dwellings.

Mr. FRASER (Peterborough West): I referred to sheds.

Mr. HOWE: It is unfortunate if the sheds were brought on the property, and set up in a way which interfered with victory gardens. However, the hon. member will appreciate that that is not the policy of Wartime Housing Limited, but rather just one of those things which happen when work is being carried out. I speak for Wartime Housing Limited and the government in expressing to the tenants regret that this should have happened.

Mr. FRASER (Peterborough West): One of the officials of Wartime Housing said the sheds were much more important than the victory gardens.

Mr. HOWE: I must say that the time to put in coal is when coal can be obtained, particularly in this year 1943. If a tenant had been unable to put in coal on account of the fact that he did not have a coal shed perhaps the repercussions might have been more serious than those we have heard this evening.

The hon. member for Peterborough West has referred to staff houses. This staff house has been one, of all the staff houses we have built, that has not had a high ratio of occupancy. When representations were made that the staff house was necessary, we were given

a list of some 450 applications from those who could not obtain other accommodation. By the time the staff house was built, those applications were no longer current. The Canadian General Electric company explained that the men were needed then, and are needed to-day. And if they could obtain those men needed in the plant, the staff house would be filled.

Mr. FRASER (Peterborough West): They can take 600 on to-day.

Mr. HOWE: Yes. There seems to be a tight situation in Peterborough. I know the Quaker Oats plant in that city is closed down to-day for no other reason than that the operators are not available to operate the plant; at least I have been told that in the last twenty-four hours. That is the situation, apparently. I do not know whether there is anything wrong with the city my hon. friend represents, that employees will not go there. But if employees will not go there, we can build accommodation there all we like, and it will not be filled.

However, the staff house mentioned by the hon. member is not typical. Occupancy of staff houses across the country, including Peterborough, stands at seventy-seven per cent. That is quite good for accommodation of that kind.

The hon. member has spoken of catering privileges. The difficulty is to find someone who is experienced and can do the job, who will be responsible for the catering. The only difficulty we have with staff houses is in connection with the catering. We had a situation in Prince Rupert where the caterer is a Chinaman, and the shipyard workers went on strike because they did not like his food. It is a problem to obtain first-class food for commissaries of that kind. There are organizations which specialize in organizing catering. We do pay them as the value of their services a fee of five per cent of the turnover in food. We think the fee is justified. It is difficult to obtain responsible people to do the work. There is no rush for that kind of business, even at that fee. If the work can be well done for that fee, I think Wartime Housing Limited is justified in paying it.

Mr. FRASER (Peterborough West): I asked about taking houses down after the war.

Mr. HOWE: We will certainly take the houses down, if the city of Peterborough will permit us. Our fear is that they will be just as badly needed after the war as they are to-day. However, the intention to-day is to remove the houses as fast as they can be removed, or the local housing situation will permit us to remove them.

Then, the hon. member for Peterborough West mentioned that the charges for accommodation in staff houses at Fort William are slightly lower than in eastern centres. The reason is that the local cost of that type of accommodation is lower in Fort William than in eastern cities. The rate was set by the local Y.M.C.A., an organization which early in the war became responsible for organizing that type of accommodation. When the rates were fixed in the staff house they were fixed on the basis that had been established by the Y.M.C.A. for single accommodation of that kind. The president of Wartime Housing Limited tells me that they were set higher, and had to be reduced, owing to the fact that they were out of line with similar accommodation in private hands. That is to say, they were originally set at the same rate as applied in the east; and because they were out of line the rates were reduced to the scale mentioned by the hon. member.

Mr. McIVOR: I think I know something about housing in Fort William. There are three types of people in that city who have a grievance against Wartime Housing Limited. There is the odd individual who does not think the government can do anything right. I think those people are more often wrong than the government. Then, there are the real estate agents who believe that rents, generally, throughout Fort William are too low. And, comparing rentals in that city with those in other places, I believe there is some justification in this suggestion. Then, there are the owners of houses who think rents are too low.

But when I saw the minister to-night close his fist and say that if any charge can be made let it be brought before the public accounts committee, I thought he was absolutely right. I knew conditions in Fort William and district before these houses were built. I saw a good many places where, instead of one extra house there should have been several. I went into one home where there was a father, a mother, seven children and two kittens, all living in two small rooms. A great many people in Fort William had to open up their cellars and put up curtains to make those cellars habitable for people who came in from Saskatchewan and Alberta and who could not bring their houses with them. They could not live in Fort William without a roof of some kind over their heads.

I have visited a great many of these war-time homes, especially after working hours, when I was looking for something else perhaps, and I have yet to hear one complaint from any father or mother who has occupied one of these houses. I can go into these homes without any pre-announcement and I find them neat and tidy. When the minister did close his fist to-night I think he had great justification. I do not care who brings the charge against the usefulness of these houses; I say they have been a great blessing to us. We have street after street filled with them, and I wish we had a great many more of them. We had an Ottawa man living in one of these houses. I might mention the capacity in which he came to Fort William; it was as a government expert. He lived in one of these houses. He had been accustomed to a good house in the city of Ottawa or close by, and he said, after living in one of these houses, "Anybody who will complain of them is extremely hard to please". I certainly agree with him. I think those who are finding fault with these houses and are trying to prove, that they are not needed, not comfortable or not up to standard will have a hard time in proving it.

Mr. GILLIS: That was a most elucidating speech.

While the minister is on the question of housing accommodation and taking Canada city by city, I should like to direct his attention to conditions in the city of Sydney, Nova Scotia. I know that for the last two and a half years the city council have consistently, at least once a month, made representations to Wartime Housing for the establishment of some houses under that plan in Sydney. I know personally that they are needed. The minister knows that there has been a large expansion in the steel plant there. A new steel plate mill has been established, employing 700 men. Other large projects are being carried on in that area, all of which will call for housing, and there has not been a house built in that city under Wartime Housing. I do not suppose there is any city in Canada more congested than Sydney. There is such a terrific influx of military personnel that it is impossible to get a house. Does the minister think there is any prospect of getting a few houses put up in Sydney under Wartime Housing?

Mr. HOWE: I must say again that the function of Wartime Housing is to provide sufficient housing so that industry can function. Industry is functioning in Sydney. We have never had an application from any industrial plant there for additional housing. I know there is a social problem there, that houses are needed for other purposes than war industry, but the remedy is not the function of Wartime Housing. There are other agencies for that—National Housing, for instance. We have made repeated studies of that situation. I have never known industry to be at all backward in applying for houses where houses are needed to permit war industry to function, but as I said we have never had an application from Sydney for war-time housing.

Mr. GILLIS: When it is said that the employees of industry in Sydney are well housed, that is not correct. Another thing that must be taken into consideration is that those who are operating industry in Sydney are also in the housing business and have been for the past thirty years, and they do not want Wartime Housing there. They want that field for themselves at some time in the future. The hon. member for Fort William spoke of people in Fort William living nine people to two rooms. I will show him in Sydney six or seven people living in one room. These are people who are employed at the steel plant or the plate mill. Others drive in to Sydney to work from twenty or thirty miles outside the city and travel the same distance back again at night in order to work in war industry, which is being greatly extended in Sydney.

When Wartime Housing made an examination of the necessity for housing in that city those who made the examination left much to be desired. I have already read into the record letters that I received from members of the city council, including the mayor and the city clerk, who point out that when the representative of Wartime Housing went in there to make an investigation the city council was not consulted. The general manager of the iron and steel company had a little session with the investigator at the yacht club. The investigator spent a very few hours in Sydney to do a job that should have taken at least a week. That was a year ago. At the mayors' convention in Ottawa a few weeks ago the mayor of the city of Sydney gave quite a description of the housing requirements for war purposes in that city. The situation is bad from all angles, and I want to tell the minister that if he is going to depend upon those who operate industry in that section to recommend wartime housing there, they will never do so because it would mean competition in their own business. They want to carry on with that shack community building in which they have been engaged for the last thirty years.

Mr. MAYHEW (Victoria, B.C.): It is not my purpose to take any great length of time in the matter of wartime housing. The housing shortage in the city of Victoria and at other places on the island is acute, and there is very little likelihood of its becoming less and every likelihood of its becoming more acute as the months go by. We hope that in the not too distant future we shall be free of war in Europe and that large forces will then be sent to the Pacific coast, but that will make our housing problem more acute than it is at the present time.

We have had some wartime houses built in the city of Victoria and in the municipality of Esquimalt. I have heard no great complaint about them. In fact, I think they are very comfortable. No one can say they are particularly beautiful. A couple of hundred houses all built within a range in cost of $100 or thereabouts cannot by any stretch of the imagination be attractive or beautiful. We would not want to use them after the war is over, but they are to-day doing the job they were intended to do. They are furnishing comfortable accommodation for people working in the shipyards, and they have been put up at a reasonable cost.

At the same time I think the government might well follow another idea in connection with war-time housing and save themselves some money. I notice it was said to-night that the average cost of these houses is in the neighbourhood of $2,750, perhaps to be done away with when the war is over. I think the government will be lucky if they ever get fifty per cent of the value put into these houses. In other words, they will have lost per house a minimum of $1,375. I maintain that this applies particularly to the city of Victoria. I know it would not apply to many other places, particularly smaller communities where larger numbers of men are required in the munitions industry. But if encouragement were given to the private owner to build his house, even to the extent of allowing him what would be the extra cost, estimated at about twenty per cent, of building that house—in other words a $4,000 house would cost the government $800 if they allowed the extra cost of the bonus—the government would save, at that, $575 on a unit if they allowed the owners of the houses themselves to build. When I was home at Easter time I tried to organize or assist others to organize in our own community a self-help programme both for the cutting of wood and for the building of houses; but in every case, when we would go to talk to the owner about the building of a house, he would say, "I cannot afford to do it to-day, because immediately this war is over I shall have to write off twenty to twenty-five per cent of the cost of building the house." There it would stop, and you could not argue against that. At the same time we have applications to the extent of around 100 houses from people who want to build in Victoria to-day, and who under this scheme would go ahead and build them, and in so doing would save the government another 100 houses under Wartime Housing. I am sure that 100 houses will not give us anywhere near the accommodation we require in that city, and need will continue to grow.

I offer this as a suggestion. It is not a criticism. I think the minister and Wartime Housing Limited have done a good job. Our people are not 100 per cent behind it, because we do not like the possibility of seeing houses demolished which may be of some use when the war is over, nor do we want to face the possibility that houses which are not up to standard will be left in that community.

Mr. HANSELL: I have no brief this evening for any particular city. I know nothing of the intricacies and the figures of the housing situation in Hull; I know only what I see, namely, that Hull needs some new houses. I do not know the situation in Sydney or Victoria or anywhere else as far as housing conditions are concerned, except that there is a congestion in the larger places. But I would ask the minister a question which perhaps is much broader than any we have discussed along this line. We are asked this evening to vote $30 millions to housing development. A gool deal of that will be for labour, of course, and I fancy about $20 millions or less will represent materials. What effect will this have on the lumber supply in Canada? Perhaps I should put it in this way. There has been a shortage of lumber. Will the minister make some statement to the committee with respect to whether or not there is an easing up of that shortage?

While I am on my feet might I say that a little more attention should be paid to the proper distribution of our lumber supply. I have no large cities in my territory, but I know of many communities where people could not purchase a board; it was not to be had; the lumber concerns did not have a board for almost a year. I do not know whether they have any yet. If a person wanted a piece of flooring to do a little repair work, he could not get it; all he could get was some dimension lumber, 2 inches by 4 inches, or something of that kind.

While the minister is thinking that over—I should like him to answer the question because it is of national concern—may I ask if any large quantity of lumber is being exported? It seems to me that when there is a

lumber shortage there should be some control over the export of lumber. Again, is it possible for us to import any lumber? If there is a shortage, I think we should import if that be possible.

Also, would the minister enlighten the committee as to the effectiveness of price control of lumber in this country? I have not gone into the matter to any great extent; I go only by the little experience I have had, and that is that if you buy a few boards in a lumber yard to-day you pay two prices, compared with what you used to pay a year or a couple of years ago.

There is the situation. While we are talking about housing projects and so forth, there is that wider aspect of the supply of lumber throughout Canada, its equitable distribution and its proper price. Would the minister enlighten the committee on these matters?

Mr. HOWE: To answer the last question first: there is no great easing up in the lumber situation. We have tried to make available lumber for low-cost housing, either under the National Housing Act or under the Wartime Housing projects. This has had quite a high priority, in fact just after direct military uses.

I cannot say how effectively the price ceiling is enforced. We enforce it strictly against producers of lumber. How strictly it can be enforced against the retailers I do not know; but if my hon. friend knows of a departure from the prices, I think it is his duty to report it to the enforcement officers, by whom an investigation can be made and the situation further examined.

Mr. HANSON (York-Sunbury): Is not the whole position in respect of lumber greatly accentuated and intensified by reason of the fact that there is no price ceiling across the line?

Mr. HOWE: Oh, yes.

Mr. HANSON (York-Sunbury): I think that is the whole trouble.

Mr. HOWE: It is a very great difficulty.

Mr. HANSON (York-Sunbury): If that position were straightened out, there would be no great difficulty.

Mr. HOWE: Quite. But as my hon. friend knows, supplies are very small, and we are stretching our resources very tight.

The hon. member for Lake Centre (Mr. Diefenbaker) asked for a break-down by provinces of the expenditure under Wartime Housing. I have said several times that we are not running the war by provinces; we are running the war as we can get the best results from all Canada, but I do not mind giving him a break-down by provinces if he wishes it. The expenditure by provinces has been: Nova Scotia, $8,969,583.91; Ontario, $25,659,068.92; British Columbia, $4,833,953.21; Saskatchewan, $140,522.21; Quebec, $7,986,-165.64; New Brunswick, $1,367,595.59.

Mr. ROSS (Calgary East): Alberta?

Mr. HOWE: None in Alberta; Manitoba, zero.

As regards Davidson, Saskatchewan, the purpose of Wartime Housing is to provide houses to permit war industry to function. There is no war industry in Davidson, Saskatchewan. So far as the air training plan is concerned, the air force builds such housing as is required there by reason of air training and, if others go in, they must be satisfied with the accommodation they find there. There is no reason for them to be there, as far as the air training plan is concerned, and certainly there is no job for Wartime Housing. It would be entirely outside its field if it attempted to provide for that sort of requirement. As regards the conversion scheme, that is a matter which has nothing to do with war industries or the functions of Wartime Housing Limited.

Mr. MacNICOL: That is, the conversion of large buildings?

Mr. HOWE: Yes. The real property administrator is an officer of the Department of Finance, and he has found it possible to relieve certain situations by leasing large houses and converting them into suites and small apartments. This is being tried on a limited scale in Toronto and Ottawa and it may be expanded to include other cities. It is not at all parallel with the work of Wartime Housing. My hon. friend suggests that the organization of Wartime Housing could handle the work. It is different work. Wartime Housing produces a large number of houses on a mass-production basis. Altering old houses and converting them into small suites is an individual problem, that requires individual study which is best done by a local architect. If we are to have a conversion plan, I think it is best handled in the manner in which it is handled now.

Mr. NICHOLSON: How many war-time housing units are occupied by the families of service people? In Halifax a few houses have been made available for the families of men in the services. How many such houses are there in different parts of Canada?

Mr. HOWE: War-time houses were built for industrial workers, but there have been local problems having to do with the housing of the families of soldiers overseas. That problem is, of course, a municipal concern, but it is a difficult problem, and certainly the families of men overseas are entitled to preferred treatment as far as housing is concerned. In an effort to cooperate in solving the problem, Wartime Housing Limited has made available to the city authorities, where that problem is a factor, certain houses built in those cities for industrial workers. They have been turned over to the city for administration to take care of cases of that kind. In all we have turned over 200 houses for that purpose. The houses are turned over to the municipality, and the municipality is responsible to Wartime Housing Limited for the renting of the houses. The municipality disposes of the houses to the families of soldiers overseas as it may decide.

Mr. NICHOLSON: When the estimates of the department for naval services were before the committee I discussed the question of having some houses built for the families of men in the naval service. In Halifax and Esquimalt particularly there has been a large increase in the population by reason of the influx of people from the central parts of Canada who have been compelled to go to the coast. Their families will be there for the duration. In the United States a great many houses have been built for the families of such men serving with the navy, and it seems to me that favourable consideration should be given to the question of providing increased accommodation in those centres where the families of men in the naval service will be located for the duration. Some consideration might be given to increasing the number of 200 which the minister mentioned, so that more provision might be made available in the more congested areas.

Mr. HOWE: In the navy as well as in the air force, it is not regarded as entirely necessary that the families should go to war with the husbands. The husbands go there for active service, and it is intended that their wives should stay where they were before the men joined up. I do not think it would be good government policy to provide housing so that every wife could go wherever her husband is stationed on active duty.

Mr. ADAMSON: Is it the policy of the government to discourage wives from following their husbands to congested places such as Halifax?

Mr. HOWE: It is not the policy of the government to discourage them, neither is it the policy of the government to encourage the practice.

Mr. NOSEWORTHY: When the minister was discussing the Toronto situation he said that the city authorities were in considerable disagreement with regard to the need of wartime housing. I wonder if it is not true that, at least within recent months, the city authorities have been fairly unanimous in requesting the building of wartime housing in Toronto. The minister said that about 1,000 houses had been built in the municipalities adjoining Toronto. How far afield does he go from Toronto in the inclusion of houses within that thousand? Again, having in mind the value of the contracts that have been let in that city for war materials, is it the opinion of the minister that 1,000 houses for greater Toronto are sufficient to meet the needs created by the influx of population into that city by reason of those war contracts? What the minister either fails to see or refuses to see is that hundreds of thousands of workers who have come into the city have displaced other tenants and that those other tenants are now thrown back on the city; yet it is the city's responsibility, according to the minister. Actually Toronto has had to accommodate hundreds of thousands of war workers who in turn have displaced a great many other tenants. I think there is the further situation that in Toronto few of the war workers congregate in the vicinity of any one plant, and I can well understand that no plant would apply for housing for its employees. These employees come into Toronto from all over the vicinity, fifteen and twenty miles away. Has the minister given due consideration to the number of people Toronto has had to accommodate by reason of the vast number of contracts that have been let?

Mr. HOWE: In the 1,000 houses I went as far afield as Malton, Long Branch, Etobicoke and Pickering.

Mr. NOSEWORTHY: Pickering would take up the bulk of them.

Mr. HOWE: Six hundred. Then there are some staff houses as well as the 1,000. It is significant that no industry in Toronto has ever reported to us that it could not get the staff it needed on account of lack of houses. Every study we have ever made of Toronto indicates that there is sufficient housing under war-time circumstances to meet the requirements. As I say, we are building to make it possible for industry to function. Industry

is functioning in Toronto. I think the population there will get smaller as the industries on the outskirts increase. Those on the outskirts are on the upgrade, while the industries within the city have passed their peak. We are willing to build wartime housing on the outskirts of the city whenever we find it necessary. We prefer to relieve the housing situation of Toronto in that way rather than to go into Toronto and build houses for industrial workers who are already housed.

Mr. MacNICOL: Do I understand that in the proposed conversion of large houses to apartments, each unit will have to be considered by itself? I assume an architect will have to be engaged to lay out the alterations necessary to convert a house into a three or four-family apartment. Will this work be called for by tender, or will someone just be told to go ahead?

Mr. HOWE: That is under another department of government, and I know little about the operations?

Mr. HOMUTH: What department?

Mr. HOWE: Department of Finance.

Mr. HANSELL: The minister did not answer fully the question I asked with respect to the equitable distribution of lumber. This matter may not appear to him to be important, but to some people it is. Are lumber concerns left to do the best they can in distributing lumber? If someone in the city wants a piece of lumber he can generally get it from a lumber yard—I am not talking about building homes; I am referring to lumber for repair work—but in the small communities one cannot get even a board. There are two communities I know of where the lumber agents have not had a board for many months.

Mr. HOMUTH: There are lots of boards in Ottawa.

Mr. HANSELL: Yet the same company in the city will have lumber for sale.

Mr. HOWE: The distribution of lumber is very closely watched. The estimated total production and distribution is as follows:

	Thousands of feet, board measure
Estimated total production, 1943....	4,000,000
Distribution:	
Armed forces, naval and merchant shipbuilding, and Wartime Housing	480,000
Boxes and crating.....	580,000
Railroads	130,000
Essential mines.....	120,000
Miscellaneous	35,000
Exports to Britain and allies.....	1,800,000
Available for civil uses in Canada.	855,000
	4,000,000

We are going to try to distribute this as equitably as we can to the lumber yards of Canada, but I agree with my hon. friend that unless the lumber is needed for a priority use, it is hard to get.

Mr. ADAMSON: Mr. Chairman, I rise to discuss this question of war-time housing because it affects the constituency which I have the honour to represent and which is located in the suburbs of Toronto. A peculiar thing is happening in the Toronto metropolitan area. Within the last ten years the population of Toronto proper has increased only five per cent, whereas the population of the surrounding municipalities has increased by over one-third. The result has been that large areas in Toronto are blighted by having numbers of houses which are unsuitable for renting or for subdivision, in many ways unsuitable for habitation at all. The shift in population is to the outskirts where new factories are being established.

Another peculiar thing is happening in Toronto. In the city itself the shift is to tenant rather than owner occupancy, whereas in the outskirts the shift is the other way. I am quoting Controller Saunders' article which appeared in *News* and was taken from a recent bluebook published by the city. The assessment commissioner's report shows that in 1934 owner-occupied homes numbered 61,552 as against 58,764 in 1942. The same report shows that tenant-occupied homes in 1934 numbered 45,000 and increased in 1942 to 49,983. This is a significant increase and shows the direction of the trend in the city.

Recently a questionnaire was sent out to employees of the John Inglis company asking whether they had any complaint to make about their present housing conditions. I understand that out of 10,000 questionnaires sent out, only ten reported that their conditions of housing were bad. I do not know whether that is true, but I got it from reliable sources. In my opinion this wartime housing which is being put up in the outskirts of Toronto is an extremely dangerous development. I have no great criticism to make of it as a purely war-time development, but there should be a definite agreement that these houses will be removed after the war is over. Otherwise we shall have around Toronto a belt of slums similar to what was built after the last war.

I can remember at that time when farms were subdivided into thirty- to fifty-foot lots which were sold for a small down payment. There were few if any building restrictions, and in many cases jerrybuilt shacks were built. The builder hoped to make a profit on these Their history has, however, been extremely sad. They built on speculative

land and employed speculative builders, with the net result that the purchasers received very poor value for the money they invested. Two things happened: either the owners felt that they could not afford to continue with the building of the house they started after the last war, or they wished to move to better jobs elsewhere and found that their commitments, either to pay for the lots or to pay for what had been done already on their houses, was a millstone round their necks, and in many cases they were tied to what has proved to be a wasting asset, and in many cases a positive liability.

Then something else happened. The municipalities in the suburban districts of Toronto found that they had to provide sewage, fire, water, police and other services, and their tax rates, based upon land values, rose considerably. The assessment rose, also, and there were large belts of farms surrounding these developments where the farmers found that their taxes made it absolutely impossible for them to continue profitable farming; in many cases they were made bankrupt. To a great extent the land on which these houses were built during the depression came back to the municipalities for taxes, and of course the mortgage money was lost. Taxation mounted to such an extent that it was futile for men to endeavour to own their own homes; economically it was wrong. Then the municipalities got into difficulties, on account of unpaid taxes; one by one they went into receivership with the province, and they are only now recovering.

I want to warn the minister and the country about this wartime housing. If it goes on without definite checks and safeguards we shall have the same condition we found at the end of the last war, only greatly intensified. I believe in the Leaside district some of these houses are built twenty-nine to the acre, and in Toronto township there are more than thirty to the acre, while modern planning would never consider building more than about eight or, at the most, nine houses to the acre. These are the dangers that we are running into; these are the dangers I see, and I want to warn the minister and Wartime Housing Limited that unless care is taken we shall have built around the city of Toronto the greatest belt of slums, the greatest depressed area, we have ever had in Canada. We must take very great care that we do not bring about that result.

Mr. HOWE: The hon. member mentioned nine houses to the acre as the minimum.

Mr. ADAMSON: And in some cases twenty-nine and thirty are being built to the acre.

Mr. HOWE: Not in a Wartime Housing development. Wartime Housing runs seven to eight houses to the acre; each house has a forty-foot lot.

Mr. ADAMSON: But not in Toronto township.

Mr. HOWE: Yes.

Mr. ADAMSON: Oh, I can show you an acre with many more than seven houses on it.

Mr. KNOWLES: Mr. Chairman, a few moments ago in response to a question the minister gave the amounts of money spent by Wartime Housing in the various provinces. I do not for a moment wish to convey the impression that I am going to raise a provincial cry, but in view of the fact that it was stated that no money had been spent by Wartime Housing in Manitoba I feel that I should not let the occasion pass without making it clear to the committee that this does not mean that we have no housing problem in Manitoba. The very opposite is the case. I can speak particularly for the city of Winnipeg, a portion of which I have the honour to represent; and I may say that our housing problem there is very acute. The minister may reply to the effect that we had such a problem before the emergency of the war came upon us, and that is perfectly true; we have had it particularly since the close of the last war. Nevertheless the conditions created by the present war have accentuated that problem. We have had certain increases in the number of industrial workers in greater Winnipeg; we have had increases occasioned by the number of men in the armed forces stationed in and around Winnipeg. The result of these increases has been the accentuation of the old story, the crowding of numbers of people into single rooms and numbers of families into houses intended only for one or two families, with all of the resulting social difficulties to such an extent that the socially-minded people of the city of Winnipeg, on the city council and connected with various organizations, feel keenly about the housing problem. I should like to quote one or two portions of the report on housing made to the health committee of the city of Winnipeg, published in January of this year. In the main I quote from the section headed "General Remarks":

> During the past few years it has been definitely established that many families are living under conditions which are a menace to the health, safety and welfare, not only of themselves, but of the general public.

And a little further down I read:

It would appear, however, that the federal government now realizes the seriousness of the housing situation in Winnipeg, although it is only a few months ago that a government official stated that no housing shortage existed.

The minister will recall who that official was, so that I need not rehearse that incident.

They have now issued an order respecting housing accommodation in congested areas which includes the city of Winnipeg. . . .

The regulation provides that any householder may share his or her housing accommodation with others "notwithstanding the terms, provisions, convenants or restrictions of any law, by-law, conveyance, deed, agreement or lease now or hereafter prevailing."

I am pointing out that the health committee of the city of Winnipeg emphasizes this as the only measure taken by the government in view of its realization of the seriousness of our situation. I quote further:

For some time there has been a gradual extending of the so-called rooming house districts to the more restricted zoned areas. This order . . .

The reference is to the order of the federal government.

. . . for the time being, will legalize such occupation, and, unfortunately, will allow the use of attics without fire escape, unless certain amendments are made to the regulation.

The inadequate plumbing, probable installation of various types of cooking facilities, overcrowding, temporary electric or gas connections, may lead to a more extensive health and fire hazard than exists at the present time.

The report goes on to give a story similar to that in other cities, so far as overcrowding is concerned, and the anti-social results of that overcrowding.

I think I might say by way of confession on the part of the people of Winnipeg that we have been in a bit of a dilemma in this matter. I speak as one who last year was a member of the special committee on housing conditions, set up by the Winnipeg city council. Our dilemma is that we are terribly conscious of our need for increased housing accommodation; yet those representing the city who have inspected the establishments built under Wartime Housing Limited have been dubious as to the desirability of having houses such as have been seen in some other places.

The result of this dilemma, and considerable study on the part of the people of Winnipeg, was correspondence between the city and Wartime Housing Limited, which at one time looked as though it would lead to a new departure. I am referring to the activities of Wartime Housing Limited. The new departure which we thought was in the making was the building, under the direction of Wartime Housing Limited, of homes of a somewhat more permanent nature. I know that this correspondence resulted in several special meetings of the committee to which I have already referred, and a special meeting of the city council itself. Then, somehow or another that which we thought was in the making apparently was not possible for Wartime Housing Limited to carry through. I am wondering if the minister, who might consult with the president of Wartime Housing Limited, could tell us why that new departure did not come to fruition. The hopes of people in Winnipeg were high; and then suddenly they were dashed to the ground.

Mr. DIEFENBAKER: This afternoon, the hon. member for Mackenzie made a careful analysis of the housing situation, and also referred in that connection to the various returns which have been brought down in the house. In spite of the explanation given by the minister, I do not believe there has been any satisfactory explanation for the divergence in detail in those various returns. I cannot understand why there should be such a material difference between the return brought down for the hon. member, and that brought down on March 4 in the name of the hon. member for Lincoln.

In connection with the latter return I should like to secure information regarding the expenditure of $7,570.28 which, according to the return in question, was expended on repairs to sewers and waterworks. It goes on to point out that this is not an expense to Wartime Housing Limited, it being chargeable to funds of the contractor in the possession of Wartime Housing Limited. What was the meaning of that answer? After the work was done, was it necessary to make repairs to sewers and waterworks on account of inferior work, and were the expenses so incurred charged to the contractor? Who was the contractor and what were the circumstances connected therewith?

The Ottawa *Journal* of Friday refers to an expense account sent to Wartime Housing Limited. The item sets out the account in full, and appears to have reference to expenditures in connection with a boat and also a roller skating rink. Has Wartime Housing Limited any roller skating rink, or has it a boat; and what connection have those items with the organization in question?

Mr. HOWE: The hon. member referred first to repairs to the sewage at Hull. The work proved to be defective, after the winter had passed. Apparently the sewer was not down

to grade. Investigation was made, and the report of the investigator is in, although I have not had time to read it. In any event, certain pipe had to be taken up and relaid. The cost of doing this was charged against the contractor who had the contract for laying the sewer in the first instance.

Mr. DIEFENBAKER: Who were they?

Mr. HOWE: The Hull Construction company is the name of the firm.

Then, the hon. member asked about a boat and a skating rink. As he knows, the production of twenty-five-pounder guns was stepped up very rapidly at Sorel, and it was necessary to bring in a number of people. A building project was started there; but to help out the situation while the project was under way, arrangements were made to rent a boat belonging to Canada Steamship Lines which was tied up to the wharf, and to sublet it to tenants. Wartime Housing Limited took on that job. Then, the local skating rink was taken over and divided up into temporary sleeping accommodations while the building project was under way. When the project was finished, this accommodation was no longer required.

Mr. DIEFENBAKER: Apparently the houses built in Hull were the subject of investigation.

Mr. HOWE: Not the houses, just the sewers.

Mr. DIEFENBAKER: Was the total amount the contractor was required to return to the government the sum of $7,570.28, or was there an additional amount?

Mr. HOWE: I would not say the contractor was required to return it to the government. He was required to make good his contract. There were certain specifications. I cannot give my hon. friend all the circumstances, because I have not seen the report. Mr. Arthur Surveyer was appointed commissioner, under the authority of the department, to investigate the situation. I have not read the report, but I shall be glad to table it in the house, if my hon. friend wishes to see it. It tells the whole story.

Mr. JAQUES: I understand that recently the government of Alberta applied for permission to build a hospital for the care of soldiers with tuberculosis after the war. I understand further that permission was refused by the controller of construction. Is this a correct statement, and, if so, on what grounds was the refusal based?

Mr. HOWE: There are a great many types of building projects in Canada for which permits are not issued. Among those for which permits have been applied, and refused, are hospitals to the value of perhaps $10,000,000 or $12,000,000. The reason they are refused is that it is proved on investigation that the only reason the buildings are needed is that the communities happen to have money at the present time. They could have built them ten years ago or five years ago, or they could build them a few years hence. It is our feeling that, while the war is on, priority should be given to defence projects. The time will come when we shall be glad to have any who wish to build hospitals build them. At the present time, however, it is impossible to buy hospital equipment, especially if it is brought in from outside Canada. It would also be a drain on building equipment, which we think might very well be deferred for the moment.

Mr. KNOWLES: Would the minister reply to my question as to what happened to the tentative proposal of Wartime Housing Limited to build houses of a more permanent nature? Perhaps the more significant question would be as to whether any consideration is now being given to such a proposal.

Mr. HOWE: The Winnipeg situation was looked into. Winnipeg did not want temporary housing; they were quite frank about saying that.

Mr. KNOWLES: Correct.

Mr. HOWE: Consideration was given to building permanent housing in Winnipeg and Hamilton, and one or two other cities where there was a demand for permanent housing. A great deal of opposition developed to building permanent housing, and it was reasonably well founded. In any event, Wartime Housing was set up to take care of war-time needs, as the name implies. It was outside their province to build permanent houses, and since the Winnipeg problem was one of permanent housing, Wartime Housing decided that they could not go on with it. It was a problem for other agencies than Wartime Housing.

Mr. KNOWLES: Was there opposition from Winnipeg?

Mr. HOWE: There was a great deal of opposition from Winnipeg.

Mr. GILLIS: I questioned the minister a little while ago as to the policy of Wartime Housing with respect to people occupying these houses who might become involved in a labour dispute with their employer. The minister told me at that time that it was not the policy of Wartime Housing to interfere, on account of a labour dispute, with those residing in these houses. I sent the minister

a specific case at that time. My understanding was that this policy would be adhered to. But Wartime Housing persisted in their attitude in that particular case. I met the person involved only yesterday, and it appears that this case is being used as the thin end of the wedge to set a precedent for mass evictions where a dispute might take place between employer and employees. I bring the matter to the minister's attention again so that if the policy decided upon has been departed from in this particular case, it should be adhered to.

Mr. HOWE: The case in question was very carefully investigated. The facts are these. The man referred to by my hon. friend resigned his job in a war plant long before the labour trouble took place. He was called in and asked if he intended to take work in another war plant and he said he did not know. He signified no intention of doing so. It was explained to him that these houses were reserved for workers in war plants and that if he was not going to work in a war industry he would have to vacate. There are seven men on strike to-day there who are living in wartime houses. If they finally decide that they are not going to work in a war industry they will have to vacate, but as long as they are workers on strike in a war industry they can live in the houses. If they signify that they will not take work in a war industry they will have to vacate.

Mr. GILLIS: The facts as given by the minister are not as I have them.

Mr. HOWE: Nevertheless they are facts. I am sometimes right.

Mr. GILLIS: I am not saying that the minister is wrong, but his informants may be wrong or biased. I believe that in this particular case the man is idle on account of the present dispute.

Mr. HOWE: He left his job long before the dispute.

Mr. GILLIS: No, he did not.

Mr. HOWE: I am telling you he did.

Mr. GILLIS: I am not going to argue with the minister. I have one side and he has the other. I advise him to check on it more closely.

Mr. HOWE: Check your facts.

Mr. GILLIS: I did.

Mr. GRAYDON: Better get a referee.

Mr. CASTLEDEN: What is the estimated yearly rates of depreciation on the Hull war-

[Mr. Gillis.]

time houses valued at $2,900. What would be their salvage value in three, four or five years?

Mr. HOWE: I cannot tell the hon. gentleman. What is his view?

Mr. CASTLEDEN: The minister has a staff of experts in front of him who have been in this business for a long time. My view as to what these houses would be worth in five years might surprise the minister. The minister said that after the war these houses might have to be torn down. What arrangement is being made with the civic authorities with regard to permanent improvements such as sewage and water supply?

Mr. HOWE: From the time the improvements are put in they belong to the city. My hon. friend says that in three or four years these houses may not have much value, but I point out that they may have served their purpose. They are built for war-time use. They are not built for the centuries or for ages. If they were, they would be of a different type of construction. They are built to last through the war and until the slack is taken up by normal building. In three or four years, if the war is over, the houses will be either torn down or disposed of in other ways.

Mr. JOHNSTON (Bow River): Has the minister given consideration to allowing these houses to be purchased by the people living in them and having the monthly rent they pay apply as part of the purchase price? When we visited the war-time housing in Hull there were one or two tenants who were desirous of purchasing these houses, and one complained that the national housing purchase plan was not available to them. I think it would be good business for Wartime Housing to allow these tenants to purchase the houses if they want to by having their monthly payments apply as part of the purchase price. If the house costs the government $2,900, the government could very well afford to sell the house three or four years after the war for, say $2,000 or less, and still be money ahead, because in four years the houses would have very little salvage value. If the tenants were allowed to purchase these houses on a monthly payment basis they would make improvements, fix up the yard and so forth. I think it would be good business to allow them to purchase the houses. Would the minister comment on that suggestion?

Mr. HOWE: The houses were built as temporary houses for war-time purposes. They can only be used for that purpose by agreement with the municipalities. It is not felt that it is good business, while the war is on, to make

any post-war arrangements for these houses. After the war is over and these houses have served their purpose, we shall be glad to sit down with any municipality and hear what they want to do with the houses, but just now we are not going to make any other arrangements about them. Most of them are built on an agreement that the houses will be removed after the war. If the city is still in the same mood after the war, we shall remove the houses, but we are not prepared to make any deal while the war is on.

Mr. JOHNSTON (Bow River): In the meantime the monthly payments made by the tenants will all be thrown away from their point of view. If the tenants could make some arrangement with the municipality they could even at this late date go ahead and put a solid foundation under the house, which would go a long way toward preserving it. Otherwise you are penalizing the tenants.

Mr. ADAMSON: What arrangements have been made for the payment of taxes by Wartime Housing? Is there a blanket arrangement applying all over Canada, or do the arrangements vary from city to city, particularly with regard to school taxes?

Mr. HOWE: It is the same arrangement all across Canada.

Mr. ADAMSON: That is $24 for a two-room house and $30 for a three-room house?

Mr. HOWE: That is right.

Mr. ADAMSON: I see it is estimated that the salvage value will be about twenty-five per cent of the price of the house.

Mr. HOWE: I do not know about that; it all depends. As I say, we built them for the war. After the war we shall have a look. We built them during the war to tear down. The rents are fixed so that without interest on the investment they will write themselves off in ten years. If the war lasts for four or five years, they will be half written off, and we shall have a look at that situation. My feeling is that, whatever happens, these houses will be used; if not on the sites they are now, they will be moved into the country. I would not worry too much about the salvage, because I think they are the type of house that can be salvaged.

Mr. CASTLEDEN: I notice that large quantities of plywood are being used in the construction of these houses. How are these supplies obtained, by contract or tender; how much was purchased up to the end of March, 1943, and what price was paid?

Mr. HOWE: We have used no plywood in houses for the last year. Some may have been used in the earlier houses. I have not the information my hon. friend wants. Of course plywood has got in short supply. It is used for many war purposes, and when it could not be had we got other material.

Mr. CASTLEDEN: Has the minister any idea how much was used up to a year ago?

Mr. HOWE: It was a price which the department negotiated. All materials bought in quantity are bought at prices fixed by the Department of Munitions and Supply. How much we used, or what the price was, I could not say offhand.

Item agreed to.

4. Land and other miscellaneous physical property, $7,000,000.

Item agreed to.

5. Revolving funds for working capital—

Munitions production.....	$100,000,000
Aircraft production	25,000,000
Ship production	100,000,000
Miscellaneous stores	20,000,000

Mr. NOSEWORTHY: I have one question which, I think comes under this item. I have received numerous inquiries regarding boxes and crates of war material lying on the sidings, particularly in the east end of Toronto and Scarborough. I am told by men who work in the railway yards that some of that material has been lying there for more than a year and a half. I understand the difficulties of shipping, but people who are buying Victory bonds and paying taxes for the production of these goods are anxious to know whether large quantities of them have now become obsolete. There is plenty of evidence that material inside the boxes is rusting, and people in the Toronto area, at least, are very much concerned over the large quantities of material which apparently are not being moved from these yards. A certain change is taking place. Anyone who passes these yards in the train can see boxes there which have become weather-beaten during the months that have passed. The same boxes remain there month after month. I am told some of them have been there nearly two years. Would the minister care to make a statement on that situation?

Mr. HOWE: I can relieve the mind of my hon. friend at once. None of the material piled along railway sidings is obsolete. The fact of the matter is that we accumulate material in Canada between operations.

Canada is in itself an arsenal from which goods are moved direct to theatres of war. We had quite an accumulation of stores in Canada prior to the movement into North Africa. At that time everything we had was cleared away. At the present time there is quite an accumulation of vehicles. Only now are we beginning to move with a good deal of rush. But those accumulations take place; they are a part of the game, and we have no objection to having Canada used as a storehouse for the theatres of active war. There is no store piled along the tracks that has been there for two years—I can assure my hon. friend of that—nor for one year. But at the present time there is considerable storage of motor vehicles along the tracks. Perhaps the accumulation is the largest there has ever been. But probably in the next three or four months it will be back again to well below normal. It is a part of the transportation business, and nothing to get alarmed about.

Mr. NOSEWORTHY: I think the important part of the minister's statement, and that part which I am particularly glad to hear, is that none of that material has become obsolete—

Mr. HOWE: That is correct.

Mr. NOSEWORTHY: —and that all will be used.

Mr. HOWE: Yes.

Mr. ADAMSON: I wish to ask the minister some questions regarding shipbuilding, and particularly with relation to the Toronto Shipbuilding Company. I have here a return tabled March 17, 1943, sessional paper No. 212, concerning the Toronto Shipbuilding Company. In brief, it says that sixteen minesweepers were built by this company, the last being in September 16, 1942. I understand that these ships were nearly all fabricated before the government took the plant over and it became a government plant. I pass the Toronto Shipbuilding Company yard practically every day I am in Toronto, and I see the same ships there that have been there since last summer: I know them quite well. I was informed that you could not take those ships down to the St. Lawrence or to tidewater on account of ice conditions, but the ships are still there, the same ships which were there most of last summer, and it is nearly July. What is the matter at the Toronto Shipbuilding Company yards? There have been frequent reports of labour unrest. One, which is quite interesting, appears in to-day's paper; I shall read it to the minister. The last time I happened to be at the Toronto Shipbuilding Company yards, or rather next door, at the Toronto Elevators, a game of quoits was being played on the deck of one of these ships. I understand that that is not uncommon. What is holding up these Algerine mine-sweepers? Is it lack of labour? Is it lack of skilled help? They can be launched all right: why are they still there? How many can we expect will get to tidewater this year? What is behind the continual stories of bickerings and labour unrest in this plant? I see in to-night's newspaper:

> Must quit C.I.O. if they want jobs back
>
> Toronto, June 21.—(C.P.)—Officials of the Toronto Shipbuilding Company said last night that nearly 300 employees dismissed Friday after taking part in a work stoppage Thursday "are not back at work."
>
> "They're through," said the officials adding that the company would consider to-day whether the men would be accepted again for employment.
>
> "If they start, they will first have to dissociate themselves from the C.I.O.," said an official. "They are in the minority."

That is a most peculiar statement.

Mr. HOWE: Whose statement is it? It is not mine, is it?

Mr. ADAMSON: It is a Canadian Press statement in to-day's *Citizen*.

Mr. HOWE: I do not know who gave it to the Canadian Press.

Mr. ADAMSON: All I know is that it is by the Canadian Press and it quotes an official. It is a most peculiar statement concerning this shipbuilding yard, coming on top of the other press statements that they were short of labour and the fact that there was a half-page in the *Globe and Mail* some weeks ago stating that there was such a shortage, and the further fact that I asked the minister for naval services a question in this regard and he said they were not short of labour. Now there is a strike. Why are these people playing quoits on the deck? What is the matter? Why cannot the work be finished? Do they lack engines? We hear of the John Inglis company building all the engines they need. Do these people need wiring or equipment, or do they need the necessary skill? I ask the minister in all fairness, because I know he is trying to do a job: what is the matter at this plant?

Mr. HOWE: There is nothing wrong in the Toronto shipyard. Its production record is good. My hon. friend knows that ships cannot be delivered in the winter, but deliveries of ships in the last month have been satisfactory. We do not give delivery figures

of naval vessels and we have never done so, for reasons which my hon. friend will appreciate. There is a little labour trouble at the moment and I gave a statement on it earlier in the day. The whole fact of the matter is that it is an A.F. of L. yard, fully unionized by the A.F. of L. A rival union, the C.I.O., under the direction of Mr. Millard of the steel workers' union, is attempting to organize the yard, which is perhaps all right, but he held a meeting of his cohorts in the yard in working time, which, we thought, is going a little far. Certainly it is a flagrant violation of the agreement with the management and its workers. Therefore the workers who took part in the meeting were dismissed for a breach of the rules of the yard. The statement my hon. friend read was not put out by any official; I can assure him of that. If the men wish to return to work individually, they will be employed and it will not be necessary for them to separate themselves from their union affiliation. But it is necessary, as long as the yard is organized by the A.F. of L., that the rules that govern the present agreement shall govern all workers, and if there is a jurisdictional dispute it will be held outside the gates.

Mr. GILLIS: I did not intend to discuss this particular matter, but the minister has made a statement which is certainly not in accordance with the facts, and I know that he wishes to be fair and to be informed on matters of this sort. I happen to have been in Toronto over the week-end, specifically on the matter of which the minister speaks. On Friday afternoon I received a telephone call from one of the union men at that particular plant—

Mr. HOWE: What union?

Mr. GILLIS: The steel workers' union.

Mr. MacNICOL: Is it affiliated with the C.I.O.?

Mr. GILLIS: I will explain that.

Mr. HOWE: Have they a plant agreement?

Mr. GILLIS: No. The minister does not understand this matter as well as I know he would like to. I am interested in shipbuilding, and I am interested in every shipbuilding yard in this country operating at the present time.

Mr. HOWE: My hon. friend is personally an official of the steel workers' union?

Mr. GILLIS: No.

Mr. HOWE: What office do you hold?

Mr. GILLIS: Oh, no.

Mr. HOWE: You are, are you not?

Mr. GILLIS: No; I belong to the mine workers. As I was saying, the telephone conversation I had was to the effect that there was a possibility, on account of the action of the company in dismissing 289 skilled men who are necessary to that plant, that there would be serious interruption to the work of that yard, and that if there was anything I could do about it, it would be appreciated. I therefore brought the matter up in the house and the minister made a short statement. What this union official who telephoned to me—and it was not Millard—anticipated, took place. There were 1,200 men idle in the yard on Saturday for the purpose of holding a protest meeting in sympathy with the men who were dismissed. I went to Toronto specifically to attend that meeting. I met with the executive of the steel workers' union who were directly involved in the dispute and got the background of the whole situation. I advised them that they should return to work and that under no circumstances at this time should there be any interruption in the activities of that yard. If the management did wrong in dismissing the men without consultation with the selective service, I pointed out that interrupting the job would not remedy matters, since it precluded the possibility of any negotiations while there was a stoppage of any description in the yard. The men on Saturday morning decided to go back to their jobs, which they did, but the 289 men stayed out. This is what happened in that yard. No meeting was held in the yard, as the minister states. His information in that regard is wrong. The yard is partly organized under craft 7, and there is no interference with the section of the yard that is organized under contract. But a large percentage of the men in the yard who are new war workers are not organized and are not protected by agreements which the craft unions have in the yard, and after carrying on for two years, the men who are now attempting to organize came to the conclusion that they must have some bargaining agency to care for their interests. A representation has been made to the Department of Labour for a vote. They have gone through the machinery provided by government, and last Friday when the 289 men were dismissed this is what took place. It was not a meeting and there was practically no time of the company's involved. At the end of a shift the men are allowed ten minutes to change their clothes and wash up, and on the termination of their shift they utilized that ten minutes to go to the manager's office and ask him if he would cooperate with the Department of Labour and the section of the

union who were endeavouring to get a ballot, and sanction the taking of a ballot. The Minister of Labour had informed them previously that he was favourable to a ballot in that yard to determine the bargaining agency if all concerned were satisfied. The management were not satisfied and they were holding up that function of the Department of Labour. That is the only demonstration that took place.

Mr. HOWE: Are the A.F. of L. men satisfied?

Mr. GILLIS: I do not know whether they are, because they do not enter into the picture anyway, seeing that they have their own agreements for their own crafts. They are not taking part in this dispute, and quite naturally if their field was being invaded they would not be satisfied. But the fact of the matter is that the men who are attempting now to get a spokesman for themselves have no agreement and have not had one for two years.

I have no intention of going into the background of this dispute. I sat in and heard these men discuss this matter. Twenty-five per cent of the men involved are ex-servicemen of this war. They find it hard to understand the attitude of the Toronto Shipbuilding company, particularly since it is a crown company. Some of them have been critical about this. I saw the memorandum which was prepared yesterday, a copy of which I believe has been sent to the minister, and this contains some rather serious accusations against the management of the plant. It is claimed that there has been a wastage of public money.

I did not intend to go into this matter to-night because I wanted to discuss it personally with the minister, but it has been brought before the committee. These 289 men who are idle are skilled welders, mechanics and men of that description, and I think the minister would be well advised to order them back to work and to examine the background of this situation. Some of the stories I heard with respect to the management would certainly leave room for investigation. The minister or some of the departmental officials should have gone down to meet these men. These things do not spring up by themselves; there is always something behind them. There are always two sides to a story.

This company is under the control of the Department of Munitions and Supply, and no local manager should be permitted to take the precipitous action which was taken in this case and which has created this situation. If he does, he should be talked to at least. The Minister of Munitions and Supply should have been consulted, and selective service regulations should have been adhered to. Under those regulations I think these men have a claim for the wages they have lost by reason of this dispute. It is not right to say that these men can go back to work individually. They could not go back yesterday. After these men had terminated their meeting at two o'clock Saturday evening and had come to a sensible understanding, they found that they could not get in touch with the manager of the plant. Regardless of the fact that there were 1,200 men off the job, no one at the plant would talk to them and they could not get the manager's home telephone number. He did not want to be bothered. I think the manager of a plant maintained by the taxpayers of this country has no right to consider that he is too big to talk to people who are just as important to the plant as he is.

I think any man in this country has a right to belong to the organization he wants to. It is not in accordance with the regulations with respect to discrimination when the manager of a plant walks up to a man who has decided to join a particular organization and tells him that he must take off that button or ribbon which designates his organization or get off the grounds. That has been done to men at this plant who are endeavouring to have the steel workers act as their bargaining agent. You can get man after man to make an affidavit that that is the way in which he has been treated by the officials of this plant. The memorandum sent to the minister is self-explanatory. It was prepared by men who have been working on the job for the last two or three years and who know what is going on.

There is reason for investigation of the Toronto shipbuilding yards. They are not turning out ships, and in some cases those that they have turned out have had to be rebuilt. There is rank inefficiency. I believe the minister wants to get the job done, he wants to be reasonable and fair in these matters, but someone should examine into the whole situation. These men should be ordered back to work. They are quite satisfied; their only complaint as far as the government is concerned is in connection with their representations to the Minister of Labour. He agreed that a ballot could be taken provided all concerned were satisfied, but the Toronto Shipbuilding company were not satisfied.

No meeting was held in the yard on company's time and sponsored by the steel workers' union. Charles Millard, the man the minister mentioned, was most concerned to

get these men back on the job. Mr. Sifton, the organizer for the steel workers at that plant, stood up and told these men that in no circumstances must they be off the job. He told them that they must get back on the job and give those who were interested an opportunity of ironing this out with the proper department under the proper regulations. That was their approach to the problem. However, the men had been antagonized by pin-headed foremen who have no business being in a position where they must handle men. Their only function appears to be to stand around and snoop and listen and accuse the men wanting to join an organization where they will have a spokesman to speak for them on matters of wages and conditions. Some of these men who were casualties of this war and who are now employed at the plant stood up in that meeting yesterday and wanted to know where the democracy was they had been fighting for. They contended they had made their contribution and were trying to work, but they were not allowed to work by people who neither had rendered service nor were capable of giving service in the position in which they were employed. I want to sit down with the minister some time and talk this matter over with him, because there are factors in the dispute which I would not want to discuss publicly.

Mr. HOWE: Disguise it as you like, this is the standard technique for the C.I.O. crashing a plant where the contract is held by the A.F. of L. A small group start milling around demanding votes, and members of my hon. friend's party go down and agitate and make speeches. If there is an illegal strike or overruling of a vote or anything of that sort, my hon. friend is right there to take the side against law and order, as he was in this case. This is a case where the contract is held by a reputable international union, and my hon. friend was down there supporting the minority who wanted to crash the plant and upset the present contract.

Mr. GILLIS: I can hardly credit that statement coming from the minister.

Mr. HOWE: It is quite obvious.

Mr. GILLIS: It is 100 per cent wrong. How many of the men employed in that plant are covered by the contract?

Mr. HOWE: A considerable majority.

Mr. GILLIS: There is not a considerable majority.

Mr. HOWE: I will get the figures.

Mr. GILLIS: You should get the figures on that. I want the minister to take back his statement that I am on the side that is against law and order. I am ready to put my record alongside the minister's in that respect from the time I was fifteen years old.

Mr. HOWE: Would the hon. member like me to give him a list of the illegal strikes where he has been advising the striker to act against government regulations?

Mr. GILLIS: Yes, I would.

Mr. HOWE: I shall be glad to look that up.

Mr. GILLIS: I want to tell the minister that since the outbreak of the war there has never been a strike in this country that was called by the employees of any plant. If you will examine your regulations as they exist at the present time, you will find that they make it impossible for anything but a walkout to occur. That is what has taken place. The Minister of Labour shakes his head. If he reads and examines and goes through the regulations he will find that to be true. Before any body of workers employed in a plant in this country can obtain redress for any grievance they must first make application for a conciliation board, and before any application for a conciliation board is granted they are compelled to take a strike vote.

Mr. MITCHELL: That is only nominal.

Mr. GILLIS: Just a moment. You must recognize this, that there is no strike in Canada. Eighty-five per cent of the workers of this country are not organized; they have absolutely no knowledge of trades unionism or its functions, or the road they have to travel. When somebody gets up and tells them there is to be a strike vote taken and that this is to be done for the purpose of redressing their grievances, immediately you take a vote you sow the seeds of a strike in the minds of those uninitiated men; you plant the germs of a strike, and you place the average organizer or the man trying to handle the difficulty in a situation which he cannot control. Why was I in Toronto on Saturday? I was there because the people who telephoned and asked me to go to Toronto said, "These men may listen to you; they will not listen to us." I sat in with the executive, the rank and file of the men off the job. They had a pertinent grievance that has been agitating them for two years. The organizers had lost control; the men were not listening to them. I sat with those men for two hours, persuading them as to what they should do in order to legalize themselves and iron out this grievance through the medium of the machinery provided by the government.

Then the minister rises in his place and tells me I am on the side that is against law and order, that I am trying to promote this, that and the other thing. I tell the minister that I want to win this war; I have already helped to fight one war. It may be that I want to win this war for a different reason from what the minister thinks, but I am not letting anything I can control interfere with the winning of the war. I know the aftermath is too serious. I defy the Minister of Munitions and Supply or anyone else in this house to show that since the outbreak of this war I have gone to a plant or a factory from one end of this country to the other and advocated a strike or a stoppage of work. The reverse has been true. I went to Sudbury; I went to Kirkland Lake; I went all over this country, and I advised the men that the only sensible and safe road to travel was to build up their membership to the point where they would be safe when a ballot was taken at the particular plant. The strike is an obsolete weapon. I know enough about the labour movement to realize that there has never been a strike won in the history of that movement, on the question of recognition. You cannot win; I know that, and it is foolish to think about it. My mission in Toronto was to talk to the uninitiated workers in this plant who perhaps do not understand the situation as well as I do. It is not the technique of the C.I.O. to promote strikes; no such thing. The reverse is true; they are forced into these things.

Mr. HOWE: Then how is it that eighty-five per cent of all the time that has been lost in this country since the beginning of the war has been owing to the C.I.O.?

Mr. GILLIS: The answer is very simple. The A.F. of L. unions are craft unions and are well established.

Mr. MITCHELL: They are not all craft unions; how about the mine workers?

Mr. GILLIS: They are not in the A.F. of L. at the present time.

Mr. MITCHELL: The machinists are not a craft union.

Mr. GILLIS: If the Minister of Labour will wait a minute I will give the Minister of Munitions and Supply a little information; there may be no need to give it to the Minister of Labour. The craft unions are well established. The unions of the A.F. of L. are craft unions now; the ones that were not craft unions broke away from the A.F. of L. when John Lewis and Bill Green disagreed in the United States. Those unions are well organized; they have contracts and leadership, but they stop there. The difficulty was that until about four years ago the mass-production industries of the United States and Canada were not organized. There was no unionism in steel or all those other mass-production industries at all. That was why Green and Lewis quarrelled; then the C.I.O. was formed in the United States, and they are fighting to establish what the A.F. of L. have had for twenty years. The same thing applies in Canada. In these other unions there is no disturbance. They are established; they have machinery, and there is no reason for a fight. But in all the mass-production industries they are trying to establish something that has been recognized in every other country in the world for the last fifty years; that is all.

That is why we are having this scrap. And what are they asking for? You have no objection to the manufacturers' association getting together. That is fine; no one is against that. You have no objection to the mining association getting together; they can come in here and meet you en bloc, and they represent the whole set-up.

Mr. HOWE: I have no objection to labour getting together. The objection I have is to one faction of labour fighting another and losing time which should be devoted to the war.

Mr. GILLIS: I have the same objection; I think it should not be, but neither the minister nor I can do very much about that at the present time.

Mr. MARTIN: What about coal?

Mr. McLARTY: That has been organized for a good many years.

Mr. GILLIS: What about it?

Mr. McLARTY: That is one of the industries in which there has been a tremendous loss of time.

Mr. GILLIS: Yes, and there has been very good reason for it. The Secretary of State will remember also that last summer the mining industry of Canada was working only three days a week. Why were we losing time then? It was the fault of the employers, on account of a lack of organization. We cannot help the row that is going on in the United States; that is their business. Evidently John Lewis thinks his men are entitled to more money. There has been very little lost time in Canada by reason of trouble in union circles.

Mr. McLARTY: I am afraid I cannot entirely agree with that statement. We did have much trouble.

Mr. GILLIS: Where?

Mr. McLARTY: In Cape Breton, where the hon. member comes from.

Mr. GILLIS: What was the trouble?

Mr. McLARTY: The trouble was a slow-down on the one hand and absenteeism on the other.

Mr. GILLIS: What was the reason for it?

Mr. McLARTY: It was purely a jurisdictional fight within the union.

Mr. GILLIS: No such thing. Sit down for a moment and I will tell you what was wrong at that time. I know this is all out of order, Mr. Chairman, but I should like to tell the Secretary of State what was the trouble in Nova Scotia.

Mr. MITCHELL: It was a fight inside the union itself.

Mr. GILLIS: No—well, to a certain extent it was.

Mr. MITCHELL: To a great extent.

Mr. GILLIS: But that was not the basic trouble. We have gone through that twice in Nova Scotia; we went through it in 1925, and the cause of the difficulty was quite apparent to most of us. You were facing a provincial election. The mine workers of Nova Scotia are a potent factor in provincial elections, and you got manipulations from the inside to disrupt that whole organization so that it would not be a factor in that provincial election. That was seventy-five per cent of your trouble, manipulated trouble on the inside of the union to disrupt the whole thing. That was what happened. The men were taken for a ride.

I am sorry I had to take up this time, but I am not the kind of person who can sit quietly and just take the sort of accusation the Minister of Munitions and Supply made across the floor. I tried to be helpful in the Toronto situation; I wanted to discuss it with the minister. There is nothing wrong there. Send those men back to work; that is all. They were dismissed illegally. You need them in that plant. Make an investigation into that plant, as to its management; you owe that much to the taxpayers of Canada. You are responsible. If those men want a vote in that plant, that is democracy. They are quite prepared to take a ballot. They are not talking anarchy, communism or dictatorship. The ballot is the basis of democracy; so let the men settle it on that basis. I do not think Mr. Arnold, who is an employee of the federal government, and managing that plant, has any right to say that anyone in the plant should belong to this, that or anything else. That is something the individual must determine for himself, and that is all there is to that dispute. It is a matter of deciding whether we are prepared to give the people of this country democracy, the thing they are fighting for overseas. If we are not going to do it now, then I am very much afraid of what the situation will be when this war is over.

Mr. HOWE: Before we close the books on that subject, may I say the objection was not that the men belonged to a certain union. They could belong to any union they like, and I am certain no foreman on the job told them differently. The objection was that they held meetings on the company's time.

Mr. GILLIS: They did not; that is not right.

Mr. HOWE: That is the fact given to me. That was the reason for the dismissal, and that is a perfectly good reason for dismissal. The men can do their organizing and hold their meetings outside the yard, and outside business time.

Mr. GILLIS: I agree with that, and I say that if they held meetings in the yard on company time for organizational purposes, the dismissal was justified. But that is not so. We could get many men in the plant who would take their affidavit that the foreman would walk up to them and tell them to "get that button off your coat"—or else.

Mr. MITCHELL: I do not wish to get into this discussion, but I know that there are American Federation of Labour organizations in that plant.

Mr. GILLIS: Yes, certainly there are.

Mr. MITCHELL: Not long ago one of the international representatives of the American Federation of Labor came to my office, and told me that the pot was boiling there, and that there was a scrap between the two organizations. But if it had not been for the closed shop in the plant they could consolidate things, and there would not be any difficulty. I told him the viewpoint of the government with respect to the closed shop was that it was in contradiction of P.C. 2685, and we did not feel that a man should be denied the right to go to work, or that before he should go to work he should join any particular trades union.

I think it can be fairly said that I know something about the difficulties of dealing with green membership. But do not forget there is also green leadership in this country.

Some hon. MEMBERS: Hear, hear.

Mr. MITCHELL: And I want to say to my hon. friend that very few disputes have gone off the track since the war broke out. The government and its conciliatory machinery cannot always be wrong. I am frank to admit that we are human, and that we do make mistakes. But I do not think it is fair to say that every time somebody else makes a mistake it should be put on the doorstep of the Minister of Labour, whether it be a federal minister or a provincial minister.

The leaders in this situation in Toronto—and if they cannot lead they should not be leaders—knew the steps which were necessary to bring that situation, which they thought was dangerous, to a successful conclusion. But no, they waited until the fellows were out on the street. I know it is the easiest thing in the world, as I have no doubt every hon. member knows, to tell people they are right when they are wrong. That is the easiest thing one can do. While I do not hold any brief for any of the employers in this country, yet it has been my experience—and I have probably had as much experience as my hon. friend, and I do not make that statement in any critical sense—to find that trades union agreements are based on character. That comes first, last, and all the time. A trades union agreement is not a legal document, nor is it a legal document in Great Britain. There are some who would try to make it a legal document, but it is not. It is a yardstick arrived at between employers and employees. There is a duty on both sides to make that instrument function. I know some believe that is not very helpful; but it has been my experience that those organizations based on character do not need laws. We can see that all the powerful organizations in this country and in the United States have lasted because their policies and purposes have been functioning on that true, simple fact.

I think my hon. friend will agree with me that when sometimes you get mistakes in leadership on either side, whether it be on the part of employees or employers, you cannot lay it at the feet of the conciliation machinery of the respective governments of the country concerned. If there were more forbearance on both sides it would be better. That is something which cuts both ways, and if there were more forbearance it would be much better in this country and in the United States; because, whether we like it or not, there is a struggle between two organizations for membership. They poach on one another, I suppose, as they have done in the United States.

Mr. GILLIS: Would the minister answer a question?

Mr. MITCHELL: Yes.

Mr. GILLIS: That plant has been operating since the outbreak of the war. The A. F. of L. union that is in the plant, and that has contracts with its own people, has had that field completely to itself up until the last three months, has it not? Now, if the A. F. of L. did not include the whole yard, why have they not done so in the last two and a half years? That is the point. The steel workers were invited to organize themselves, and they were not protected by the agreement. That is the crux of the whole matter.

Mr. MITCHELL: I wish to have that clear. I am not criticizing the steel workers. The hon. member will have to agree with me that I have taken the stand, since I have been Minister of Labour—and I think earlier ministers have; and this is the same position taken in Great Britain and in the United States—that I did not think it was the duty of any government to send in conciliators when the men are on what is known as an illegal strike.

Mr. GILLIS: That is true.

Mr. MacNICOL: On what?

Mr. MITCHELL: When the men are on an illegal strike. When that is gone, everything is gone. If hon. members on the opposition side of the house were sitting where I am sitting, they would see that you have to have some measure of control. The government, by its very nature, is charged with a responsibility to the state, and it cannot permit a group of individuals, whether they be employers or employees, to act at variance with government policy. You find that in connection with the Minister of Munitions and Supply, for instance, when in his judgment he finds it necessary to put in a controller to take charge of a certain industry. That is often done.

We have not yet reached the stage where we have put controllers into these organizations. But if we are to develop responsible trades union leadership, that has to be done. There is no other alternative to it, irrespective of the political party in power.

Those problems exist. They exist in every country in the world in which we find the democratic style of government. And where

democracy is in operation, that is the price we pay for freedom. I realize that the hon. member is trying to get these people back to work.

Mr. CASTLEDEN: Did the company obey the law in this instance?

Mr. MITCHELL: I saw the manager of the company. Perhaps I have not as much knowledge about this as the hon. member for Cape Breton South, but I think it is not within the realm of proper operation of any industry for people to hold meetings in a plant during working hours. That is generally recognized in the day to day operation of any industry.

Mr. GILLIS: I would remind the minister there was no meeting held in that plant on the company's time. It is not correct to say that there was. The Minister of Munitions and Supply is under the impression that there is a contract in that yard which embraces the employees; that is not correct, either. The first step should be that the 289 men should be put back in the plant, where they are needed.

Mr. ADAMSON: May I say that three or four months ago these men came to see me and told me that they were likely to go out on strike, and that they could not continue on account of the inefficiency of the management at this plant, that there was bound to be a strike for that cause alone.

Progress reported.

On motion of Mr. Crerar the house adjourned at 11.05 p.m.

Tuesday, June 22, 1943

The house met at three o'clock.

INCOME TAX

EXTENSION OF FILING DATE FOR T2 QUESTIONNAIRE IN RESPECT OF 1942 CORPORATE RETURN

On the orders of the day:

Hon. C. W. G. GIBSON (Minister of National Revenue): On June 15 the hon. member for Cumberland (Mr. Black) asked whether the time would be extended for the filing of income tax returns for 1942, pointing out that chartered accountants and business firms would find it almost impossible to file their returns by the prescribed date. I said that at that time no change was contemplated; but I should now like to announce that to-day a notice is being sent out to all inspectors of income tax, as follows:

You may advise the public in general that there will be no extension in the time of filing the required individual and corporate income tax returns which are due on 30th June. This does not apply to the information return known as T2 questionnaire which has been introduced for the first time this year and requires considerable care and attention in its preparation. Inasmuch as it is supplementary to the T2 corporate return this is to advise that penalties will not be imposed in respect to the fiscal year ending 31st December, 1942, if the T2 questionnaire is lodged on or before 31st July, 1943, provided that the T2 questionnaire is signed not only by the required officials of the company but also accompanied by the auditor's supporting certificate, without which the time is not extended. No extension will be granted for the filing of T2 questionnaire in respect of fiscal periods ending after 31st December, 1942.

A considerable amount of work is entailed in the preparing and certifying of this questionnaire, and it is considered that by extending the time for filing it, considerable relief will be afforded.

Mr. HANSON (York-Sunbury): Of course that is another question. The questionnaire is another document.

Mr. GIBSON: No, it has to be filed with the return.

Mr. HANSON (York-Sunbury): It has to be filed with the corporate return; but I thought that in the other case referred to the minister was giving consideration to an extension.

Mr. GIBSON: The T2 questionnaire is filed in conjunction with the T2 form, and I understand after consultation with the accountants that it is the T2 questionnaire which has been holding them up, because it requires so much care in preparation, and must be certified by the accountant.

Mr. HARRIS (Danforth): Did I understand the minister to say that firms whose fiscal year ends later than December 31, 1942, would of necessity have to file form T2 questionnaire before June 30?

Mr. GIBSON: No, they do not file this until six months after the close of the business year, so that they would not be filing it by June 30, in any case.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Monday, June 21, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

MUNITIONS AND SUPPLY

The CHAIRMAN: We are considering item 5.

Mr. HOWE: At the last sitting there was some discussion about the contract for war-time

houses in the city of Hull. At that time I had not studied the situation as I have this morning. I should like to be fair to the hon. member for Mackenzie (Mr. Nicholson) and therefore I wish to put on *Hansard* a reconciliation of the three returns that were filed. Two of the returns were accurate but the third return failed to allow for certain expenditures made at Hull on account of a project at Ottawa for forty houses. The wood work and framing for the Ottawa project were carried out in the plant at Hull, and the charges were carried with the Hull charges for a time and then charged back to Ottawa in the ordinary course. There was one return that failed to take account of that charge against the Hull houses, with the result that the return brought down indicated that the 50-house project cost about $1,000 per house more than it actually cost. If I can place this reconciliation on *Hansard*, I do not need to read it. It is a series of figures, and my hon. friend will find it is quite satisfactory in reconciling the three returns brought down.

Mr. COLDWELL: In view of the fact that the minister went after the member for Mackenzie rather hard yesterday on this particular matter and now brings in a report indicating pretty much that the member was correct in his statements—

Mr. HOWE: Quite the reverse.

Mr. COLDWELL: The information that the minister had was wrong. I suggest that care should be exercised about these matters. I had an experience of this sort with the Prime Minister with which I have not done yet. I was given quite a castigating in the house for statements I made which were absolutely correct. Every care should be exercised to see that this kind of thing is not done. I noticed the lecture read to the member for Mackenzie yesterday and I felt he had good reason to resent it.

Mr. HOWE: I read no lecture to the member for Mackenzie. He asked whether he could believe my statements. My statements were absolutely correct yesterday, but I found on examining the situation this morning that one of the three returns made failed to make the correction which I have mentioned and indicated a higher cost of the houses than the actual figures show. The other two returns are correct. If my hon. friend is interested in the reconciliation I shall be glad to put it on *Hansard*. If he is not, I will not.

Mr. NICHOLSON: I should like to have the information but if this is another set of answers, that is another thing.

Mr. HOWE: It is not another set of answers. With the permission of the committee I would ask that these figures be put on *Hansard:*

Regarding Hull Costs
(As of May 3, 1943)

Total cost per war-time housing books			$577,604 06
Given in reply *Votes and Proceedings*, No. 22, p. ii, in reply to question No. 2 by Mr. Lockhart.			
The breakdown for this is as follows:			
Project No. 1—Contract for 100 houses		$279,073 38	
Extras in painting, storm sash, etc.—			
Painting	$ 4,439 46		
House numbers	15 12		
Storm sash	10,460 00		
		14,914 58	
		$293,987 96	
As there are 100 houses in Project No. 1, this equals $2,939.87 per house.			
For land, sewers, water, roads, street lighting, heaters, stoves, supervising architect—			
$2,928.87 plus $37,982.96 plus $28,750.04 plus $29,886.82		$ 99,548 79	
Total for project No. 1			$393,536 75
Project No. 2—Costs per war-time housing field force—			
25 No. 1 houses—according to exterior finish—from $1,889.13 each to $1,897.78		$ 47,325 85	
25 No. 21—according to interior finish—from $2,065.56 to $2,073.76		51,713 22	
		$ 99,039 07	
Administrations building, construction equipment, install stoves, etc.		$ 4,389 28	
Land, sewers, roads, walks, street lighting, landscaping, etc.		37,045 14	
Expenditure on wall, floor and roof panels for Ottawa project of 40 houses		43,593 82	
			$184,067 31
Total			$577,604 06

Reconciliation

1. The $577,604.06 checks with figure used in return to Mr. Lockhart's question *Votes and Proceedings,* No. 22, p. ii.

2. In project No. 1, the contract of $279,073.38 plus certain extras amounted to $293,987.96 for 100 houses or $2,939.87 each house. This checks with reply to question by Mr. Lockhart—*Votes and Proceedings,* No. 22, p. iii.

3. In project No. 2—It will be seen from cost statement the average cost of houses was $1,980 or if certain items listed as extras are added (represented in the amount of $4,389.28), the average would be $2,068. These sums do not check with the return given Mr. Lockhart in answer to his question "D", *Votes and Proceedings,* No. 27, p. iii, where the cost was given as $2,941.10—same answer being given to Mr. Nicholson, *Votes and Proceedings,* No. 19, p. ii.

The reason is that at the time return was made the amount of $43,593.82 of fabricating cost on Ottawa houses included in the statement had not been transferred to that project. So we had a cost of $147,022.17 which gave an average unit cost for the 50 houses of approximately $2,940.

Mr. DIEFENBAKER: Under this particular item there are a number of questions I desire to ask, some of which I asked the other day, which so far the minister has not answered. In the statement respecting production of aircraft the minister said the number produced to date is approximately 8,000 planes. I should like to ask him whether the 8,000 planes represent actual production in Canada, except for engines, or whether it includes importations from the United States. On November 14, 1941, the minister gave a statement with regard to the production of planes in this country, and as reported at page 4082 of *Hansard,* he said:

> Our aircraft industry has manufactured in Canada and placed in service since the outbreak of war, or has assembled in Canada, 3,749 aircraft. In addition, we have received from the United States in the same period 1,268 aircraft. The present average rate of production is approximately forty per week for all types, and in this regard it should be pointed out that the present production includes a heavier proportion of advanced trainers and service aircraft than in the earlier months of production.

The other day when I asked the minister why there was a reduction per month in the number of planes being produced, he replied that of course the poundage was very much greater. What has it been each year since 1940? When I look back over the *Hansards* that I have here, since the outbreak of the war, and read the statements made by the minister at each successive sitting of the house, wherein with pride he pointed to the production of aircraft in Canada and the anticipated increase in production, the statement is so much like the statement he made the other day that I feel justified in asking him now to give the Canadian people the picture with regard to aircraft production, not in generalities but in particulars, so that people will be able to understand whether or not aircraft production in Canada is in keeping with munitions production and the like. I therefore ask him to give particulars of the different types of planes that have been produced. How many Ansons have been produced since May 14, 1942, at which time the minister stated in the house that production was over 600 planes? Furthermore the minister said—

Mr. HOWE: Let us have one question at a time. My memory perhaps is not as good as my hon. friend's, and he has notes while I have not.

Mr. DIEFENBAKER: The minister's memory should be fairly good, because that is one question which significantly he has not answered in the past.

Mr. HOWE: The hon. member wishes to know how many Ansons Canada has produced.

Mr. DIEFENBAKER: How is that number of 8,000 planes made up? How many Ansons are there and how many of various other types?

Mr. HOWE: As to the number of Ansons, Canada had produced as at the end of May last, 1,850.

Mr. DIEFENBAKER: What about the other types of planes?

Mr. HOWE: What type does the hon. member want to know about?

Mr. DIEFENBAKER: The types included in the 8,000 planes which the minister says have been produced in Canada.

Mr. HOWE: I shall be glad to put them on *Hansard* if my hon. friend wishes. I have never done this before and I think it is breaking the security rules. However, he has asked for it and he can take the responsibility for the answer.

Some hon. MEMBERS: Oh, no.

Mr. HOWE: Certainly he will.

Mr. DIEFENBAKER: That answer is not fair.

Mr. HOWE: Why not?

Mr. DIEFENBAKER: The people of Canada want to know whether or not the flowery statements with respect to production are justified by the facts. If the minister says—and this has always been my attitude—that in the public interest, for security reasons, he cannot furnish this information, then I ask him how it is that information as to production in various types is furnished by others outside of parliament.

Mr. HOWE: My hon. friend says that the people demand to know, and he is a tribune of the people, and therefore I am certainly going to tell him. If I get into trouble, for security reasons, my hon. friend must share the responsibility.

In the field of elementary trainers Canada has built 1,384 Tiger Moths; 10 Menasco Moths; 126 Wireless Moths; 409 Cornell trainers; 431 Fleet 16 trainers, making a total of planes built in the field of elementary trainers of 2,360.

In the field of advanced trainers Canada has built 1,059 Harvards; 51 Norsemen; 101 Fleet 60's; 367 Bolingbrokes; 1,850 Ansons, and 150 Lysanders, making a total in the field of advanced trainers of 3,578.

In the field of service aircraft Canada has built 15 Sharks; 15 Grummonds; 32 Stranraers; 8 Deltas; 75 Lysanders; 69 Norsemen; 169 Bolingbrokes; 63 PBY boats; 1,451 Hurricanes; 160 Hampdens, and 19 Mosquitos. Those figures are up to the end of May. The figure I gave the other day, of 21 Mosquitos, was up to date.

Mr. HANSON (York-Sunbury): Nineteen Mosquitos?

Mr. HOWE: To the end of May. That makes a total of 2,076 service aircraft, and a grand total of aeroplanes built up to the end of May of 8,014.

Mr. HANSON (York-Sunbury): When was the contract for the Mosquitos let with the de Havilland company on which we had a production of nineteen planes?

Mr. HOWE: I have not the exact date.

Mr. HANSON (York-Sunbury): Was it not placed in the fall of 1941?

Mr. HOWE: The first negotiations were opened in September, 1941.

Mr. HANSON (York-Sunbury): I understand that the contract for the Mosquitos was placed with the de Havilland company late in the fall of 1941, the negotiations having preceded the letting of the contract.

Mr. HOWE: Placed by whom?

Mr. HANSON (York-Sunbury): I did not say by whom.

Mr. HOWE: Who placed the contract?

Mr. HANSON (York-Sunbury): I suppose it is the Department of Munitions and Supply. And the production on that contract has been nineteen Mosquitos.

Mr. HOWE: Nineteen to the end of May. Let us be accurate at least.

[Mr. Diefenbaker.]

Mr. HANSON (York-Sunbury): To the end of May. I am quite glad to take the minister's statement. I have been prompted to make this statement because I hold in my hand an article from a weekly journal, dated the 19th of June, entitled "Hatching Mosquitos", and the statements contained in this article are in a degree a reflection on the minister's department and on the production of Mosquitos. The article gives a pretty lurid description of what has happened. I do not vouch for the truth of it, but it is being broadcast throughout the country, and if it is not true the matter ought to be cleared up. If it is true there ought to be an admission on the record. The article starts off by making a declaratory statement:

> Canada's war-time production is the biggest in the world—for its size. The way tanks, guns, planes and all other munitions of war are turned out by the publicity branch of the Department of Munitions and Supply would astonish even the Russians.

Mr. HOWE: What is my hon. friend reading from?

Mr. HANSON (York-Sunbury): I will show it to my hon. friend when I am through.

Mr. HOWE: Tell me; I am entitled to know.

Mr. HANSON (York-Sunbury): It is an article by Dennis Pratt in the *News*.

Mr. HOWE: What News?

Mr. HANSON (York-Sunbury): Perhaps the minister—

Mr. HOWE: In other words, Judith Robinson.

Mr. HANSON (York-Sunbury): I do not care who it is.

Mr. HOWE: I am entitled to know.

Mr. HANSON (York-Sunbury): I said I would hand the article over to the minister when I am through reading it.

Mr. HOWE: Put it on *Hansard*.

Mr. HANSON (York-Sunbury): It goes on to say:

> A case in point is the production of Mosquito bombers by the de Havilland Company of Canada. The contract for these planes was placed in the fall of 1941, and almost immediately the publicity branch of Munitions and Supply went into action. It had bombers "in production" at the plant in no time, and then turned its attention to other supplies which needed boosting.
>
> But the actual machines at the plant, having got into production, stayed there and never came out.

Now we have the admission from the minister that in two and a half years only nineteen planes have been produced on this contract up to the end of May.

Mr. HOWE: Exactly how does my hon. friend arrive at two and a half years?

Mr. HANSON (York-Sunbury): From the fall of 1941 to the fall of 1942 is one year, and now it is the summer of 1943. That is in excess of two and a half years.

Mr. HOWE: One and a half years.

Mr. HANSON (York-Sunbury): Just under two years—my error. I am not like the minister when I find I am in error I am glad to say that I am mistaken, but the Minister of Munitions and Supply, like most of the members on the treasury benches, never admits an error. I will admit that there is one great exception, and that is the Minister of National Defence for Air. By his very humility and his candor he inspires confidence, which the Minister of Munitions and Supply does not inspire.

Some hon. MEMBERS: Oh!

Mr. HANSON (York-Sunbury): All right; I hear the jeers from across the line, but I am not impressed by them. It would be far better if we could have a little more candor about these things from the treasury benches, and say we made a mistake.

Mr. HOWE: Let us be careful. The hon. member for Lake Centre challenged my statement on the number of planes produced, and I have given him the production by chapter and verse. Just what is my hon. friend blustering about now? It is all very well to bluster, but it is just as well to keep your feet on the ground.

Mr. HANSON (York-Sunbury): I do not usually bluster.

Mr. HOWE: You bluster a great deal.

Mr. HANSON (York-Sunbury): I am not blustering. What I say is this: all down through the years because of the puffing and publicity by the department's publicity branch the Canadian people have been led to believe that production was enormous, immense.

Some hon. MEMBERS: It is.

Mr. HANSON (York-Sunbury): The publicity was always in advance of the production. I think I realize some of the reasons why the production did not come up to expectations; there must have been many bottlenecks, many difficulties encountered by the minister. I think it would be much better for him to be frank and say: We hoped to do thus and so, but for reasons unforeseen we could not do it. That is what I suggest to the minister.

Mr. HOWE: I did not say that we have done thus and so except in the report I made to parliament, and if my hon. friend can successfully challenge any statement in the report I made to parliament I shall be very glad to have him do so now. Otherwise I think we might very well suspend this attack.

Mr. HANSON (York-Sunbury): All right; I am used to taking lectures from across the line, and it does not bother me a bit. I would like the minister to read this article.

Mr. HOWE: I am particular about what I read. That is not one of my favourite authors

Mr. HANSON (York-Sunbury): I see; the minister never wants to learn. I suggest to him that he would be wise to study the criticisms that are made of his department; it might bring constructive and productive results. When I was leader of the opposition I always felt that constructive criticism in newspapers not only had a chastening effect upon my soul but it did me good, and I should think the same thing would apply to the minister. As I said before, the trouble with the minister is that he never admits error, and I suggest that is a weakness. That is why the public have not the confidence they should have had in some of the statements that have been made by the minister's publicity department in the past. The whole history of the Moth contract and the production under that contract is confusing. I do not understand why production has not been greater, and the minister should make that clear. I am not going to blame the minister personally; I think he is just as desirous of seeing production come off the assembly lines of the de Havilland plant as I am.

An hon. MEMBER: Far more so.

Mr. HANSON (York-Sunbury): Maybe. I do not know where that came from—

Mr. CLEAVER: It came right from here, and I meant it.

Mr. HANSON (York-Sunbury): I would expect anything from a back bencher over there. But approaching this matter in the calm light of mild philosophy, if I may use that term, I suggest to the minister that in his statements as to production he should confine himself to what has been done and not give us so much about what is going to be done. That is the point.

Mr. HOWE: When have I given the hon. member anything about what is going to be done? Since my hon. friend has given me his expert opinion, perhaps I might give him the expert opinion of Mr. Butler, the chairman of the board of the de Havilland company in England. I quote from a cable recently received from our London office about Mosquito production:

While Butler admits inevitable mistakes in estimates he states that rate of Canadian production to-day is good and stresses that it compares more than favourably with early production in each of the two factories here.

Mr. HANSON (York-Sunbury): The statement is that Mosquito production is good?

Mr. HOWE: Yes.

Mr. HANSON (York-Sunbury): What is the date of that?

Mr. HOWE: June 4, 1943.

Mr. COLDWELL: Since we are discussing the production of aeroplanes perhaps this would be a good place to ask the minister a couple of questions following the discussion we had yesterday. The minister said he would be glad to tell the house the price per pound of sheet aluminum, and I should like to have that in order to get the record straight. Then I said to the minister yesterday at page 3828 of *Hansard:*

As I understand it the base price is fifteen cents a pound, Canadian funds, and that to-day we are paying twenty and a half cents a pound.

Mr. Howe: That is right, except that fifteen cents is United States funds.

Mr. HOWE: That is right.

Mr. COLDWELL: I did not understand that yesterday. The base price in Canadian funds is 16 cents?

Mr. HOWE: Yes.

Mr. COLDWELL: Not 16½ cents?

Mr. HOWE: No. There are certain adjustments. These prices all have delivery points. The 15 cents in American funds is the base, and to arrive at the Canadian price, adjustments were made against our delivery point as compared to the United States delivery point, and the two represent equal prices, all things being taken into consideration. The actual price came out at sixteen and a very small fraction, and it was made sixteen flat.

Mr. COLDWELL: And is the 5½ cents in Canadian or United States funds?

Mr. HOWE: It is in Canadian funds.

[Mr. R. B. Hanson.]

Mr. COLDWELL: So the last adjustment gave us a price of 21½ cents a pound for the aluminum, 16 plus 5½?

Mr. HOWE: That is right.

Mr. COLDWELL: That is for the ingots?

Mr. HOWE: Yes.

Mr. COLDWELL: What is the price per pound of sheet aluminum, which is required by the companies who are making aeroplanes and so on?

Mr. HOWE: The price of aluminum sheet of common gauge, which means the standard alloy—these sheets are an alloy of aluminum —is 25 cents; that is the base price, with extras up to 35 cents for extra gauges. My hon. friend knows how sheet metal is sold. The base price is 25 cents, and the prices for common gauge run up to 35 cents; there is a long price list.

Mr. COLDWELL: Is that per pound?

Mr. HOWE: Yes. I do not know just what is put in the alloys; and perhaps my hon. friend is not interested in this price, but for the strong alloy the base price is 35 cents and for certain gauges it runs up to 50 cents a pound. For the rods, common gauge, which compare with the common gauge sheets, the base price is the same, 25 cents running up to 35 cents for odd sizes. For the strong alloy in the rods, the price runs from 35 cents to 50 cents.

Mr. COLDWELL: These are the base prices?

Mr. HOWE: These are the actual prices.

Mr. COLDWELL: The base price is from 25 cents to 35 cents?

Mr. HOWE: Twenty-five cents. Always in sheet metal there is a certain gauge which is considered the base price, and gauges above and below that have higher prices, due to mechanical differences.

Mr. ADAMSON: Can the minister tell the committee what percentage of duralumin is used in a modern fighting plane? I understand that the greater part of the metal used is this hard, high tension alloy.

Mr. HOWE: It varies greatly as between planes, as my hon. friend will easily understand. We would need to know the particular plane in question, and check back on it.

Mr. ADAMSON: Take a Hurricane, for instance.

Mr. HOWE: That plane weighs about seven thousand pounds, and the duralumin probably would amount to about 25 per cent of the weight of the plane. That is as near as I can give it to my hon. friend.

Mr. ADAMSON: Can the minister tell us whether the number of Ansons he mentioned includes those which were shipped to Canada from England and assembled here?

Mr. HOWE: No, there were 1,900 Ansons that came from England, which were assembled here, and those were entirely outside the figures I gave my hon. friend.

Mr. ADAMSON: Then there were 1,850 produced here and 1,900 shipped and assembled here?

Mr. HOWE: Yes.

Mr. DIEFENBAKER: Did any part of the 8,000 planes represent parts manufactured in the United States, brought to Canada and assembled here into planes?

Mr. HOWE: No; the only part brought in from the United States was the engine.

Mr. CHURCH: I have one or two general questions I should like to put to the minister. Last night there was some discussion as to the duty of a member of parliament in connection with the various war plants under the control of the minister. I was chairman of the Toronto harbour commission when the plant referred to last night by hon. gentlemen to my left was brought to the city of Toronto in the last war. Since this war began I have taken it to be my duty not to enter a war plant unless I was invited, and I have never received an invitation. One reason has been that since the war began we were supposed to have an honourable agreement among ourselves, as members of the House of Commons, to conduct our affairs during the war without regard to political considerations at all, in order to attain an all-out war effort in this country following the practice that has been adopted and so well carried out in the old country. There the labour unions agreed with the government that there would be no more peace ballots and no more general strikes until Hitler was beaten.

There are no labour unions under the axis powers; they were all abolished. There would be none in this country or on the continent of North America if we should lose this war. This is the most critical year of the whole war; and while I have in my constituency a great many people who work in these plants I have told them that I do not think it is my duty to interfere as to the merits of rival unions, since the onus is upon the government of the day to decide all matters in regard to labour conditions and the conduct of this war. I can tell you, however, that those who are serving in the armed forces, especially in the citizens' army, are doing more work twenty-four hours a day for $1.30 than many people working in our factories at much higher wages. I see these men in uniform on the trains; I know thousands and tens of thousands of them in the three services and I can tell you that the people at the front and those in the services in this country are wondering what we are doing over here, why we are meddling and interfering as we are in war plants and strikes. I have no objection to the stand taken by hon. members to my left; it is their privilege. But they are not the only labour party in the House of Commons. Hon. members in this part of the house have taken the stand that we should not use the war to advance our party. In fact I had not been in a munitions plant since the war started until last Friday, when for about half an hour I visited the de Havilland plant. With the two labour unions contending for mastery in this country, it is the duty of the government to step in with a strong national win-the-war labour policy. The onus is upon the government and it is the government's function, so long as it is in office to see that the war work is carried on and that the war is paramount until Hitler is beaten.

May I say a few words regarding the fifty-mile bus rule. I hope this absurd regulation will be abolished by the minister as soon as possible, because it reacts unfavourably against the troops and their families in various parts of the country. And I can say this further, regarding housing, that if we wait for the government to supply houses in Toronto, both for war workers and the civilian population, we will wait until doomsday. If the government would remove the restraint from private builders, and back them with government finance, with moneys under the housing act obtained through the banks, there would be plenty of houses around the Toronto district, especially houses of the smaller type. If the government would see fit to adopt a forward policy on such a scheme by obtaining money from the banks in the usual way, and thereby help builders to obtain more materials, the situation would be far better both now and after the war.

I believe coal is more or less under the control of the Minister of Munitions and Supply. The shortage is to a great extent a question of transportation and delivery. Is it or is it not true that the municipalities have been promised that they will get their supplies of coal? One of the most dangerous men on

the north American continent is "General" John L. Lewis. I have read the speeches on May 1, May 7 and other dates and heard the radio addresses of that very able man who is President of the United States. I commend the strength of the President to the government of Canada. Let this government adopt some of the measures taken over there to defeat these trusts.

I have no complaint against the hon. member who brought up this question—far from it. In a great many ways I sympathize with labour in some war plants, and I have always been friendly to labour in the province from which I come. But I do say that when our troops overseas are fighting for $1.30 or $1.50 a day, it is not the time for us to have any division as to who shall have control in this plant, that plant or any other plant. We need a national labour policy in Canada, not only for the duration of the war, but when the war is over.

I do not wish to delay the passage of the minister's estimates. I do not know whether the Gallup poll applies to any of the industries over which he has control. But I can tell you that this Gallup poll, in the way it is being conducted throughout Canada, with all these galloping ghosts behind the scenes, is a real source of mischievous propaganda of all kinds for the prevention of the proper conduct of the war. It is political propaganda. The information is being given out by certain newspapers for purposes of political propaganda, and I wish to object to that practice. I hope the minister, his department and the government in general will have nothing to do with the Gallup poll, because it is all "Gallup" and no poll. No one knows who is behind it; no one knows who votes. I doubt if any ministers on the front benches have voted; I doubt if the leader of the opposition has a vote. I can tell you that this poll is no help to the war effort at all; it is a help to political propaganda, and to help some of those people in Canada who think that the empire should be allowed to go by default. This empire will never be allowed to go by default, and Canada is not going to be talked out of the British empire; Canada will have to be fought out of the British empire.

Mr. GRAYDON: On an earlier occasion and again to-day the hon. member (Mr. Church) discussed the fifty-mile bus limit, but I do not believe an answer has been given by the minister. Perhaps the matter has been overlooked. The hon. member referred particularly to transportation of our armed forces. He has taken a vigorous stand with respect to this matter as it affects our fighting men. I believe the minister might very well give the committee an answer.

Mr. HOWE: The transit controller is responsible for transportation within communities, and transportation supplemental to communities, such as interurban bus lines. The hon. member knows that all our transportation is overloaded. Those responsible for allocating transportation facilities have undertaken—and I think successfully—to see that some means of transportation is available to every man who needs to travel. But in doing so they found it necessary to eliminate duplicate means of travel. In other words, if a man can travel by train to his destination, generally speaking he does not have the alternative of travelling by bus to the same destination. As all hon. members know, in general, cities served by railroads are also served by bus lines. For example, in pre-war days one could travel from Windsor to Toronto on either of two railway lines, and he could also travel by bus between those two cities. That was a desirable situation when we could afford to be lavish in our transportation facilities. However, when the war came along a problem developed, having to do with taking care of the short-haul passenger. I do not refer to the man who travelled from Windsor to Toronto, but rather to the man who wished to travel possibly from some country point between those two cities, to Windsor or to Toronto. With the congestion of travel, under the old system a bus would take a full load at Windsor, for Toronto, and would deliver that load in Toronto. That meant that the man living between the two cities was deprived of a necessary bus service, a service which is required to permit him to travel.

The fifty-mile rule was framed to prevent the sort of travelling on buses I have described. It was aimed to prevent a bus from filling up at one terminal and moving to a terminal sixty or seventy miles away with a full load of passengers. The result of the fifty-mile service on the plan I have outlined is that passengers can take a bus at Toronto for any point between Toronto and some twenty miles east of Windsor. In other words, that area is served. Similarly, a man living more than twenty miles from Toronto can take a bus and travel to Windsor. But a man cannot take a bus in Toronto and travel on that bus to Windsor.

We have no objection to a man's travelling from Toronto to Windsor, but he can do his travelling on either of two lines of railways. The fifty-mile rule has accomplished its

objective. We have been able to provide a bus service for people to whom other forms of transportation are not available. It has not worked a hardship on the bus lines because there is plenty of travel of the type I mentioned to use the full capacity of the buses. It has not worked any hardship on the man desiring to travel from Toronto to Windsor. He knows very well that when he gets on the bus it will not take him to Windsor, and that he will have to get out when he has travelled fifty miles. Therefore that man travels by train. Now that the situation is understood I challenge anyone in this committee to tell me of a case of real hardship arising out of the fifty-mile rule.

Mr. SLAGHT: I shall detain the committee but a short time, but I should like to refer briefly to what has been said by the hon. member for York-Sunbury (Mr. Hanson). I see he is visiting on this side of the chamber. If he has had a change of heart and has come over here to support the government and the Minister of Munitions and Supply, perhaps it will not be necessary for me to say what I intended to say. However, assuming that he is going to return I shall continue. In his attack upon the Minister of Munitions and Supply he indicated that the minister was too much inclined to look to the future, to indicate what he hoped and what we all hoped this country would ultimately do in the matter of production. He said that instead of doing that, he ought to furnish more figures and records. He was challenged by the minister, who then paid no more attention to it—I think he was right—to give a single instance in which the minister had quoted figures which he had hoped to attain in the future but which had been wrong. I would commend to the hon. member for York-Sunbury the expression that there is always a far horizon for onward-looking men.

In many matters I have agreed with the hon. member, because I think during the last three years he has made some contributions to the discussion of the war effort. However, I believe if he had considered a little he would not have made the criticism he did. To the Minister of Munitions and Supply alone is due the magnificent Trans-Canada Air Lines which is going to play such a great part in the reconstruction of the nations of the world as soon as this war is over. It is easy to say that men look too much to the future, but I do not believe that that is the kind of criticism the people of Canada are seeking. They want men who have the vision to look into the future, men who are capable of converting this country as it has been converted from peace time pursuits of turning out ploughshares into one of the greatest war production countries in the world.

For the benefit of the hon. member for York-Sunbury, if he is not content to take my statement, let me indicate what that grand little woman who addressed this house on June 16 said. She is reported on page 3721 of *Hansard* as follows:

> . . . and the fact that per capita Canada has produced more for the war effort than any other member of the united nations are indicative of Canada's will to fight to victory.

That is the record we have among the nations of the world. Does my hon. friend dare to challenge her statement? If he is not content with that, let me remind him what Winston Churchill said on March 6 about Canada's war effort in production and in every other way. Mr. Churchill in a considered cable to the Prime Minister had this to say, as will be found on page 1023 of *Hansard:*

> In the darkest days Canada, under your leadership, remained confident and true. Now the days are brighter, and when victory is won, you will be able to look back with just pride upon a record surpassed by none.

Neither our Prime Minister nor our Minister of Munitions and Supply has attempted to take to himself personal credit for the war effort of Canada. They are both always careful to make it clear to the people that those responsible for the war effort which has produced the tributes of the kind I have just quoted are the men and women, the common people of Canada. There has never been any attempt to take unto the government the credit for the war effort of this country. I should be the last to support a government which attempted to usurp the greater credit for the effort. The words of the hon. member are given heed to by the people of this country and it ill behooves him to attack the minister who more than any other—I am not trying to detract from what is due to or to make comparisons with the other hard-working ministers of the government—is responsible for the results of our war effort. It ill behooves a responsible member of this house to send out to the people of Canada that type of personal criticism. I should like to envision the kind of munitions and supply effort we would have had if the hon. member who has been the critic of to-day had been in charge of this department of government. The department and the minister deserve the greatest meed of praise and credit that the people of Canada can accord to them, aside altogether from any political credit or party spirit. I do hope the hon. member for York-Sunbury will not feel that I am putting it too strongly when I deprecate the kind of personal attack I had to sit here and listen to this afternoon.

Mr. HANSON (York-Sunbury): Mr. Chairman, far be it from me to keep the hon. member for Parry Sound in his seat. If he does not like what I am saying he can get up and leave the precincts of the house whenever he wishes. I am at a loss to understand the basis of his lecture to me. I have a responsibility in this house, just as has the hon. member for Parry Sound. Judging by the records of the house I think I take them more seriously than he does. The hon. member for Parry Sound cannot have it both ways. In one breath he said that the ministry, the Prime Minister and the Minister of Munitions and Supply, do not take any personal credit for what has been accomplished by the Canadian people, that it is all the result of the efforts of the Canadian people. Then in the next breath he pours out an encomium upon the head of the Minister of Munitions and Supply which must have made the minister blush. As I say, he cannot have it both ways.

My quarrel with the Minister of Munitions and Supply is not a personal one. What I say is that his publicity department is doing too much puffing in connection with the advance notices it sends out as to what is going to be done. The performance has never measured up to the promises that have been made.

Mr. SLAGHT: That is not what the hon. member suggested.

Mr. HANSON (York-Sunbury): The Canadian people will no longer accept that kind of propaganda. That is the weakness of the wartime information board. The people do not believe what they say; they do not listen to the canned music which is being turned out by so many government departments. We have forty-seven different varieties of propaganda. I am told that there are no less than forty-seven publicity agents in the government turning out canned music for the people of Canada which most of us throw in the waste-paper basket. The newspapers discount all this; they do not publish it. What we would like is more factual information such as the minister has given us this afternoon. I do not feel a bit chastened by the lecture given by the hon. member for Parry Sound. I am quite content to put my performance, to put what I have done in this house toward the war effort of this country, against the record of the hon. member for Parry Sound.

Mr. McIVOR: I would like to add to the list of great men who paid their tribute to the minister, the hon. member for Parry Sound. The leader of the official opposition and the leaders of the other parties and many other hon. members paid their tribute to him, and by doing so have, I believe, added to their stature. Yet this committee has been sitting here since Friday of last week and we have got through only five items. Let us be consistent.

Mr. CHURCH: I ask the minister to make a little better explanation of the regulations with regard to travel. The minister must admit that the city of Toronto, through its transportation commission and otherwise, has given his department a great deal of support, or he would not have been able to locate his plants where he did. Yet we in Toronto are getting little or nothing by way of concession. I have been asked to inquire whether the minister is not now able to make some decision with regard to the fifty mile rule; and if not, can he not make some arrangement with the national railways about transportation, instead of continuing to rely on the old Noah's Ark cars which are utilized to and from Camp Borden on the national railways, while women are charged $2 and $2.40 and children $1.15 or thereabouts to visit the camps. Something should be done to relieve this situation.

The official oposition has given the government pretty good support, much better support than it deserved in the light of some of the answers which have been returned by one minister to questions asked by us on matters of public importance, questions designed to strengthen and support the government in a constructive way.

I ask the minister if he cannot give us some reply with regard to the provision of gasoline and rubber. An appeal was made last Easter and is repeated on every public holiday to the public to refrain from travelling, and soldiers and their families are not allowed transportation facilities, yet when I look around the Toronto district I see large numbers of government officials, not members of the cabinet or of their own civil departments, but connected with controls and subcontrols, making free use of facilities denied to others. It is high time that we paid some attention to the men who are fighting overseas. All our home defence and defence at home organization will not amount to a snap of the finger in the winning of this war, in spite of the great expenditure it entails in gasoline and rubber and other necessary supplies. I ask the minister to confer with his colleagues and see whether something cannot be done to give the troops who are in the camps the proper means of getting home, instead of compelling them to walk along the highway thumbing rides while carry-

ing grips and perhaps a hundred pounds of equipment. The army is the forgotten agency. I have been in some of the camps, and it is clear to me that this is so when one sees the large number of these men still walking around in winter clothing, with no facilities for getting to their homes either by the highways or on the trains. It is a strange state of affairs that we should allow these estimates to go through without a protest, and I protest now. Wars are won by soldiers and sailors and airmen fighting at the front, and when I see some of our army in their Little Lord Fauntleroy costumes on the street cars, it seems to me a reflection on the House of Commons that we allow such a state of affairs to exist, while private transport or the buses and trains are available for civilians and booked by controls weeks ahead, and the railways are making fabulous sums. See what happened when the delegates of the empire parliamentary union arrived last evening at the depot. Between two trains, one coming in and one going out, without any guidance for passengers, hundreds of people might have been killed between the two tracks so close to both trains. When you make a complaint you cannot get results but you are told that you are making a personal attack.

I refer to this because I have seen something of the sufferings of the men in the army during the present war. I wish others could see what I have seen—women and children walking several miles to get on the trains. I do not wish to hold up the estimates, but I hope the three defence ministers and the Minister of Transport will take up this matter and see if something cannot be done, in dog days like these, to help the forces.

Mr. BLACKMORE: Would the minister tell us what is the average cost to the Canadian government of each of the several types of planes that are being manufactured in Canada? The ones I have in mind particularly are the Lysanders, the Harvards, the Ansons, the Mosquitos, the Hurricanes, the Tiger Moths and the Bolingbrokes.

Mr. HOWE: I have not the costs here. Possibly I could get some of them. I have not the figures for the Mosquito or the Lancaster, as the costs of these planes have not yet been established. My hon. friend will understand that the production of at least 100 planes is necessary before production gets stabilized to the point where costs can be determined. Perhaps I can give him information on some of the other types of planes, but I do not happen to have that information here.

Mr. BLACKMORE: Could the minister give that to us to-morrow?

Mr. HOWE: I will try.

Mr. DIEFENBAKER: I do not quite understand the attitude of some members on the government side in condemning the opposition for endeavouring to secure information regarding one of the largest items of expenditures parliament has to deal with, a matter of approximately $700 millions last year and an anticipated expenditure this year of $316 millions less reduction in revolving funds, together with hundreds of millions of dollars of expenditures for and on behalf of the British government. As a matter of fact, we do not properly examine the expenditures which are being made. We cannot do so, for we are invariably met with the type of answer given by the minister a few moments ago to the hon. member for Lethbridge, that the information in regard to costs is not available in certain particulars and regarding certain planes. Yet the minister, in answer to a question from myself, made the statement in the house the other day that we are producing planes in Canada at a price which would permit us to compete with the United States of America.

Mr. HOWE: "Does" permit us.

Mr. DIEFENBAKER: That being so, there is only one way in which the minister is able to make such an optimistic statement, and that is on the basis of information which he has. He has cost accountants, he has an examination made regularly of these various plants; and we want to know what the costs are. As a matter of fact there is no organization in connection with the Department of Munitions and Supply which can so properly be called the department of mysteries and surprises as can this particular part of the department. In everything else, all of us agree and are proud of the fact that Canada is making a good effort in the production of munitions and supplies. I ask the government to visit the aeroplane plants in Canada, send investigators into those plants, talk to the employees free from any surveillance on the part of officials of the department or revelation to them of the information that they give, and, Mr. Chairman, they will tell a story of indifference, of laxity, and of inefficiency—

Mr. HOWE: And you believe it, I suppose?

Mr. DIEFENBAKER: —in the production of aircraft in Canada.

Mr. HOWE: You believe that, I suppose?

Mr. DIEFENBAKER: Mr. Chairman, let us know if there is no foundation for these stories. Let us have the information. Take

the production of Mosquitos. I realize that it requires months to tool up and prepare for production. If my information is correct, it took eleven months to tool and plan and prepare material and the like and to complete other preliminaries to production, before the first plane was built. We have been in production since September last. The minister states that one must be accurate in the figures he gives, and he corrected the hon. member for York-Sunbury a few moments ago for being two planes out in the numbers produced to date. We want accurate figures. We want to know whether these planes are being produced, as they should be produced in the fourth period of the war, economically, having regard to all the circumstances. Canada produced twenty-one planes since September last. What is the number of man-hours that have been expended on each of these planes? The only information I have comes from men who desire to see our fighting aircraft multiplied so that we shall take our part in the air war that is coming and which at present is being waged, and by which Germany is going to be brought down. We want to contribute our part, and it is our duty as an opposition, if there is inefficiency, that it shall not be covered up by optimistic statements in the House of Commons, unaccompanied by actualities within the factories themselves.

I speak now subject to correction, but the information I have received is that so far as Mosquitos are concerned, to date, on the basis of employment in the plant, not less than 570,000 man-hours have been used for each of these planes built. Having regard to the weekly wage payroll of de Havilland, the costs in Canada are simply overwhelming and economically unjustified so far as this particular type of plane is concerned. The minister a while ago read aloud a laudatory letter from the de Havilland Corporation of Great Britain to the de Havilland Corporation of Canada.

Mr. HOWE: It is nothing of the kind.

Mr. DIEFENBAKER: If it be true why was the change made? Why was Glassco placed in charge as controller? Nobody can say seriously to-day that everything was well in this plant, not even the minister. Where the minister has done well he has received the commendation of this opposition and of the people of Canada.

Mr. HOWE: What day was that?

Mr. DIEFENBAKER: Well, Mr. Chairman, day after day that is his one criticism if we do not meet him with a spontaneity of praise that has all the appearance of a directed calisthenic drill, if we do not commend him; but if we think there is something that must be improved he becomes annoyed. With his great organizing ability, he is too prone to retain men in their positions, too loyal to them, even after he finds they are not doing the job he expects them to do. I say this on the basis of information that I have been able to secure.

Mr. CHEVRIER: Give us the source of that information.

Mr. DIEFENBAKER: Go to the factories and the source of information will be available to anyone. On the basis of that information, the cost of Mosquito aircraft in Canada to-day far exceeds that in any other country—far exceeds what is reasonable.

Mr. HOWE: What other countries are making Mosquitos?

Mr. DIEFENBAKER: The minister has all that information, I imagine—

Mr. HOWE: You talk very loosely, it seems to me.

Mr. DIEFENBAKER: —and he needs no information from me. On the basis of present-day production, producing twenty-one planes, with the expenditure of millions of dollars since September last, with the change that has taken place in the removal of one general manager, and the substitution of a controller, parliament and the people of Canada have a right to know what the facts are. How much has been expended? I therefore ask the minister to furnish this committee with a record of the expenditure for wages from September, 1942, to date, and the expenditure prior to September, 1942, during the period when the necessary plans were being made leading to production.

Let me mention another thing that has never been explained, and that is the record of the Avro-Anson and its production. It was chosen early in the war as the two-engine trainer for the commonwealth training scheme. We have asked on this side of the house, on many occasions, questions with regard to the production of engines. We think they should be produced. We realize the difficulties. Canada decided that she would put in these Ansons the Jacobs engine, and she purchased more than 2,000 engines, but they would not operate the planes.

Mr. HOWE: Just a minute. My hon. friend had better take that back, because there are Ansons in great numbers flying with Jacobs engines to-day.

Mr. DIEFENBAKER: Oh, yes.

Mr. HOWE: Please be careful.

Mr. DIEFENBAKER: I admit that, but they had to redesign the Anson in order to build the fuselage around the engine that was purchased. They had to redesign it. That is exactly the point I am making. They are flying Ansons made after considerable delays.

Mr. HOWE: If I had followed the advice of the opposition there would have been no Anson built to-day. Hon. gentlemen opposite wanted to disband the Anson company and start all over again. If any group of men need to apologize about the Anson planes it is my hon. friends opposite. I remember standing here for three or four days when there was demand after demand that the Anson contract be cancelled. I shall be pleased to read *Hansard* to my hon. friend and quote chapter and verse before the day is out.

Mr. DIEFENBAKER: It was not a criticism of building Ansons; it was a criticism of lack of building them by reason of changes made incidental to the purchase of Jacobs engines. Canada had Anson planes and without examination bought 2,300 engines—I believe that is the number—from the United States. These Jacobs engines were brought to Canada and you found you could not operate the planes with them, and the Anson had to be redesigned. That was what we objected to.

Mr. HOWE: I will read presently what the hon. member objected to.

Mr. DIEFENBAKER: We asked that there be conformity with experience and conformity with practical considerations in order to assure a large production of Anson planes. As a matter of fact, the minister in June, 1940, made certain predictions in regard to the production of Ansons. He did the same in November, 1940, and in February, 1941, he found that his predictions were not being fulfilled. No one has any argument to raise because of delays then. We realized the difficulties then. To-day, with the expenditure that has been made in this connection, we feel that we have a right to demand that the maximum contribution which this country can make in the matter of fighting aircraft shall be made now, and that the excuses given in the past shall no longer be accepted. To-day we are asking not promises of production in the future but performance now in the fourth year of the war.

The minister said the other day that Canada was expending upon aircraft and the production of aircraft, 25 per cent of the total amount expended for war supplies, munitions and the like. I am going to ask him to place on the record the amount expended for aircraft in each of the years 1940, 1941, 1942 and 1943 to date for aircraft. In particular I should like to know how much money the government has invested in aircraft plants belonging to the government, first, for the production of aircraft, and second, for the production of parts. Finally, I would ask the minister for a statement showing month by month the expenditures made during the past year in the de Havilland plant and in the Malton plant for wages and general expenses. This information would be of much assistance.

I ask the minister in all seriousness this question. We have produced twenty-one fighting planes of the Mosquito type. Having regard to the fact that we have reduced to seven the number of types of planes we are producing, and regard being had to the months that have elapsed since production was first mooted, does not that record of twenty-one fighting planes produced indicate a lack of drive, a lack of appreciation of the necessity of fighting aircraft being produced now? Does it not indicate that a careful investigation should be made by the minister to the end that aircraft production should be encouraged and increased?

I realize that almost a year ago—on May 14, 1942, to be exact—the minister stated what the aircraft production of Canada had been up to that time—3,749 planes, as I remember. To-day our production is slightly over 8,000. At that time the minister said that production has now been stepped up to 400 planes a month, but that there were some plants not in production. So far as actual production is concerned the promise which the minister made last year has not been failed in. The position, however, in fighting aircraft is such that I feel something should be done to re-form the production of planes, to build up an attitude that does not exist to-day in the aircraft factories in this country, namely, a determination on the part of the men working there to produce at whatever the cost in hours and in effort. The lack is not in the men. The men working in the factories say that they have lost faith—not in the minister, but in those charged with this aircraft production programme. There must be some reason for this; otherwise it would not have become necessary last year to start a morale building campaign in the aircraft plants of this country. Absenteeism in these plants is low and I submit that one way to build morale is to make it possible for the men who work in these factories to know what the issue is. All they require is direction and a goal, and they will endeavor to secure the greatest possible production of aircraft for combat purposes.

It is often said, Mr. Chairman that it is easy to criticize. It is not easy to criticize.

It would be much easier now for me to get up and say to the Minister of Munitions and Supply that his department is getting along well. But we have a responsibility on this side of the house to arouse the government where we believe it should be aroused, and we have a right to inform the people of Canada just what the situation is with regard to the production of these combat planes which will be so necessary in the offensive about to take place.

Mr. FRASER (Peterborough West): Last night the minister had this to say:

There seems to be a tight situation in Peterborough. I know the Quaker Oats plant in that city is closed down to-day for no other reason than that the operators are not available to operate the plant.

Right after the minister said that I got up and said that there was only one flour mill in that plant that was idle. That is not in *Hansard,* but I want to correct the statement of the minister. The Quaker Oats plant has an 80-barrel mill, 80 barrels per hour, a 60-barrel mill per hour and a 20-barrel mill per hour. The 60-barrel mill has not been operating for some time because they have not been able to get the men The 60-barrel mill when working would turn out about 1,500 barrels of flour a day. They need in that plant 75 men at least.

The minister has been asked for figures in regard to the production of aeroplanes. I am not going to criticize the minister on that, but I believe he should give the figures not only with respect to aeroplanes but with respect to the guns that are being produced. Giving these figures would often help his case very considerably. In Peterborough we manufacture the 3.7 gun. I understand that over a year ago that gun cost $100,000 to manufacture in Great Britain. The first one produced in Peterborough cost at least $65,000, and to show you how honest our manufacturers of that gun are, that gun to-day costs, I believe less than $45,000, and the cost is still going down.

I asked the minister the day before yesterday how many civilians working in munitions plants it would take to keep one man in the armed forces. The minister said that he would get me the figures on that; the parliamentary assistant to the minister also promised me those figures and I should like to have them.

I should also like to know how much steel is to be released for the manufacture of bicycles. There is a great shortage of bicycles in Canada. If steel were released for the manufacture of bicycles, a large number of automobiles would be taken off the roads, with a consequent saving in gasoline. It takes very little steel to produce one bicycle. A bicycle weighs only about fifty pounds, and only about thirty per cent of the weight is in steel.

Last year I asked the minister a question as to escape hatches in tanks. Has any improvement been made in the Canadian tank in that respect?

Another question. I was handed the other day a notice which evidently had gone out from the office of the controller of clothing. It is to the effect that a ruling has just been made by the wartime prices and trade board that tropical worsted shall be used in making uniforms for air force officers only. In other words, the army officers cannot have tropical worsted for their uniforms. Worsteds come under the Department of Munitions and Supply, and I should like the minister to say why the army is left out in the heat not in the cold, since all they have now is heavy serge instead of tropical worsted.

On March 27 an article appeared in the press in regard to a chromium plating process for cutting tools. It was stated that the process had been offered to one of the manufacturers in the United States on a royalty-free basis. Has that process been made available to Canadian manufacturers also? I should like to know also if Canada is going to manufacture what they call the new pocket-size machine gun, which was referred to in an article appearing in the *Globe and Mail* on June 7.

Mr. HOWE: My hon. friend has asked so many questions that my memory lags a bit. I believe the first was in regard to the number of civilians it took to keep a man in the armed services supplied. I have not been able to arrive at any information of that kind; as a matter of fact there is no such information, so far as I know. I could give some figures of total population in Britain, which might give some indication of it, but I do not think I should do so without having refreshed my memory. In regard to the plant at Peterborough, it is true that one flour mill unit is not operating. I am sorry it is not, because we need the capacity, and I am looking into the situation to see if some help cannot be given in connection with the matter of man-power. As to bicycles, releasing steel for bicycles would not help the situation. The difficulty is in connection with components, chiefly pedals and brakes, which come from the United States. If my hon. friend will go into any bicycle factory he will find that frame production is well ahead

of the finished output. We can release all the steel needed by the bicycle industry, but apparently the industry cannot obtain the components from the United States.

Mr. FRASER (Peterborough West): Would not your department be able to establish priorities for those parts?

Mr. HOWE: No; that allocation is fixed by the United States authorities. In regard to the chromium plating of cutting tools, that process is well known in Canada; I have seen the process actually being carried out in a plant in the eastern townships.

Mr. NOSEWORTHY: I should like to take just a few moments to discuss with the minister a question I raised in the house on a previous occasion. I think it is in order under item No. 5; it has to do with the development, the mining and the milling of the cobalt ores produced in Canada. On that occasion I called attention to the fact that at the present time we are importing cobalt ore from Africa, refining it and shipping the finished product to Britain as well as using it in essential war fields. In the meantime the ore that is being mined in northern Ontario, particularly in the Cobalt camp, is being stock-piled at Deloro. I pointed out previously that the company owning the refining plant at Deloro is, or was in the early years of the war, a member of an international cartel, of which the company now shipping its ore to Canada was also a member.

Cobalt is an essential mineral to-day, the civilian use of which has been forbidden, or at least restricted to the point where it is practically forbidden. In addition to the cobalt contained in these ores there is a considerable content of silver, nickel and arsenic, all of which are also essential minerals. These ores are being stock-piled; they are not being refined at the present time, because the only plant capable of refining these ores is engaged in refining the African cobalt ores. I understand that during the construction and equipment of the Shipshaw plant it was necessary for the United States government to provide approximately 26,000,000 ounces of silver to be used in place of copper, which would indicate that at the present time there is a demand for all the silver we can produce. Yet considerable quantities of this mineral are being stock-piled without being refined at all. I note also from the reports of two mining companies that they were instructed by the dominion government to institute a search for arsenic. The report of Hard Rock Gold Mines Limited for the fiscal year ended December 31, 1942, contains this statement:

> At the request of the metals controller the company investigated the possibility of producing arsenic as a by-product of its ore treatment.

The annual report of MacLeod-Cockshutt Gold Mines Limited for the year ending September 30, 1942, contains this statement:

> During the year the company carried on a small amount of exploration for strategic minerals and examined several properties and carried on extensive tests in connection with the production of arsenic, at the request of the dominion government, but nothing of beneficial interest to the company has developed from this exploration or research.

I wish to direct the minister's attention to the fact that the cobalt ores which are being stock-piled instead of being refined contain, in addition to their cobalt content, an average of three per cent nickel, 25 ounces of silver per ton and 25 per cent arsenic, and these essential war minerals are not being utilized in Canada's war effort. Practically not one ounce of these materials is being used to-day, although evidently they are necessary, and although there are restrictions on their use by the civilian population.

I would call the minister's attention to the arrangement under which the producers of this mineral sell their products to the Deloro company. To begin with, they receive no credit for any cobalt under eight per cent. Anything less than that goes for nothing. They receive no credit for silver content less than fifty ounces per ton. Any content less than fifty is taken by the Deloro, or the buying company. They receive no credit on nickel content below five per cent. They receive no credit whatsoever for the arsenic content in the minerals.

I have here a list showing a shipment of six carloads of this ore sent by one company to the refinery. All of this is stock-piled at the refinery. In the six carloads the unpaid nickel, silver and arsenic content amounted to $4,168, an average of $65.50 per ton, for which the primary producer received no credit whatever. The six carloads amounted to sixty-five tons. The producers of the metal point out to me that on the basis of the 1940 production that camp to-day is capable of producing or would on the basis of the 1940 production produce, cobalt, silver, nickel and arsenic to the value of over one and a quarter millions of dollars a year, and that there is a ready market for every ounce of those materials. That revenue could be available to the camp, and the mineral could be available to our war effort, if some means

could be found of providing the camp with a small hundred-ton mill and a small twenty-five ton refinery. The only mill available to the producers operates only part of the year, and it is costly. I am told that because of the inefficiency of the mill, arising from the fact that it was built many years ago the producers pay an average of $2 per ton more than would be necessary if an efficient mill were provided.

I am told, further, that there is a loss which makes it almost impossible for many producers in that camp to ship their products to the mill. Incidentally, the mill now in operation was formerly the property of the company which now owns the Deloro plant, namely, the O'Brien interests. I realize that restrictions must necessarily be imposed on the release of building materials. I do not submit this by way of criticism of the minister's department, or of his policy, but I would ask the minister to examine the situation, if he can find time. I believe he would realize more fully than I do the need of getting all essential Canadian minerals into our war effort if it can possibly be done. It is unfortunate that during these war years none of these minerals is going into our war effort. I do not know what the solution would be, but I am asking the minister to survey the situation. I am told that if the minister's department were satisfied, after examining the situation, that such a mill will make a valuable contribution to our war effort, funds are available from the metal reserve control of the United States for just such purposes.

There is a feeling abroad that members of the cobalt cartel are using their influence to restrict the refining of this metal. It is well known that they used their cartel to restrict production and to set prices in pre-war years. I pass this information on to the minister—and may I repeat that it is without criticism, but only as a suggestion that he have the matter looked into, for what it is worth.

Mr. FRASER (Peterborough West): I have no brief for the plant at Deloro, but I know that that plant is the only one in the British empire which at the present time is producing steelite, and other materials which are essential to the war effort. Without the plant the war effort could not go on, and I know the minister will bear me out in that statement. Cobalt is what they have to have; the other materials are not so essential. Since the beginning of the war that plant has expanded greatly.

Mr. NOSEWORTHY: They are not using Canadian ores.

[Mr. Howe.]

Mr. FRASER (Peterborough West): They are doing the work; it does not matter what kind of ore they are using. They are using ore, and they are producing what is needed for the war effort.

Mr. NOSEWORTHY: I am not criticizing that.

Mr. FRASER (Peterborough West): The hon. member acted as if he had stock in the mining company which produced the cobalt. I have no brief for the Deloro company, but I think these facts should be placed on record. Nickel, silver and arsenic are produced in many other mines, and I know from what I have been told by the manager of the Deloro plant—a man who works twenty-four hours out of the twenty-four, who is never idle, and who is at his job morning, afternoon and night—that they are producing to the limit, and that they have to keep a stock of cobalt on hand at all times.

Before I sit down I should like to ask if it is not possible for the minister's priorities branch to release ball-bearings, pedals and other items necessary for the production of bicycles? The workers have to have them to go to work.

Mr. HOWE: My department will release anything they can get their hands on, but the components for bicycles are under quota which is fixed in the United States. All we can release is the quota assigned to Canada.

Mr. NOSEWORTHY: Just to keep the record straight I want to say to the hon. member for Peterborough West (Mr. Fraser) that I do not own one dollar's worth of stock in any mining company, nor am I interested in mining stocks. I do know a number of people who are interested in these properties at Cobalt and who are anxious to see them developed. I made no attempt to deprecate the work being done by the Deloro company; I take it they are doing a good job, but the ores they are refining are brought into the country. This plant is being used to capacity to refine imported ores, and I cannot see why there should not be an opportunity to refine Canadian ores. That is my point.

Mr. HOWE: I am familiar with the situation in relation to cobalt. I may say that it took an extreme effort on my part to provide the stock pile which is the only market for our cobalt ore. Cobalt is a world metal and the Deloro smelter is a customs refinery, the only one in the British empire for this particular ore, as has been stated to-day. The cheapest source of ore happens to be South

Africa, where it is a by-product of another operation. Great Britain requires supplies of cobalt, and she chooses to buy the ore in South Africa, ship it to Canada for smelting and take the product. The only manner in which Canada touches the ore is to transport it across the country to smelt the ore. Cobalt is not a scarce article at the moment; there is plenty of it. My hon. friend is quite wrong when he says that someone here is stopping the metal reserve from financing a mill. As a matter of fact we explored this with the metal reserve, at a time when we were under the impression that the supplies of cobalt were not adequate, but we were told that supplies were adequate. As a matter of fact the metal reserve is not interested in obtaining cobalt in Canada, since they have their own supply.

The camp which produces this is the old silver camp near the town of Cobalt. The price of silver dropped, the mines were old, the cost of producing the metal is up, and this camp is now in a bad situation. I wish the men who are mining cobalt ore would go over to Sudbury and help us mine nickel; that would be a much more useful war effort. However, as long as they insist upon mining cobalt ore we provide a market for it by way of a stock pile against some future need.

Mr. COLDWELL: There is no break-down of this particular item, and it is rather difficult for one to know whether he is in order in discussing a certain matter. This item covers munitions production, aircraft production, ship production and miscellaneous stores. In my opinion too many of the answers given to the questions asked concerning the Department of Munitions and Supply have been given by the minister when relying upon his memory alone. It would have been much better if we had had accurate figures. I am thinking particularly of the figures we were given from time to time on aluminum. I know the minister has a good memory and I sometimes fall into the same trap myself and rely upon my memory rather than having the figures to back it up.

From time to time the first intimation we have of what is going on in Canada or in the minister's department comes from United States sources. As I have said before, there seems to be a policy of almost concealing what this country is doing in regard to certain matters.

Mr. HOWE: We cannot afford press agents.

Mr. COLDWELL: I have the Edmonton *Bulletin* of Saturday, June 19, which was sent to me by air mail yesterday. An article in this issue is dated Washington and refers to statements given at a press conference by Robert Patterson, United States undersecretary of war, in connection with oil reserves on the Mackenzie river to supply fuel for the army and navy. He stated:

> "It has been very successful," he said in reply to questions at a press conference about the oil development which has been a closely guarded military secret.

Then a large part of the story of the development in the Mackenzie area is told in the article. Reference is made to the construction of a pipeline, and to the fact that numerous wells have been put down, almost all of which have been producers. A very fine oil field has been discovered. It seems to me that the minister and the government would be wise to take this house into their confidence from time to time with regard to such matters rather than to have the information seep through from our neighbours to the south. I know the first intimation I got of the aluminum contract was through an article which appeared in the New York *Times* last January.

I should like the minister to tell us something about this great development in the north country, a development in which some of us have been much interested. I have referred to it several times, and we have had long discussions about the matter. As I say, I am not sure whether a discussion of this matter would be in order under this item, but I think we should be told what methods have been adopted to develop this great oil field. As I stated before, the vice-president of Standard Oil has said that this is the largest reserve supply of oil anywhere on earth. We are very anxious that it shall not be alienated from the people of Canada to corporations either in the United States or in our own country. We must insist that this great reserve of oil shall be developed in the interests of the public of Canada. At the opportune time I should like the minister to give us a statement elucidating what Mr. Patterson has said, either confirming or refuting the statement which appears in the Edmonton *Bulletin* and which has every appearance of being authentic.

Mr. HOWE: As my hon. friend has said, this was a military secret. The head of a military department can talk about a military secret, but a mere Minister of Munitions and Supply has to keep a military secret if he is told it is a military secret. There is nothing new about oil at Fort Norman. There have been wells there for many years, but the difficulty has been that Fort Norman is an inaccessible point as far as Canada is

concerned. The production has been confined to what could be used in the immediate area. The boats plying the Mackenzie river have been using this oil for many years. The activities in Alaska, on the Alaska highway, and the requirements of northern aviation, have made production from this area interesting.

The field has been developed by an arrangement between Canada and the United States. Additional wells have been drilled and, as the article states, a pipe-line is to be constructed to carry the oil from Fort Norman to White Horse. A refinery is being built at White Horse.

Mr. COLDWELL: Is this being undertaken purely by the government of the United States?

Mr. HOWE: It has been carried out by arrangement between the government of the United States and the government of Canada, but the actual financing of the new development has been by the government of the United States.

Mr. COLDWELL: And is the work being carried on by a Canadian oil company or by the Standard Oil Company or the Shell?

Mr. HOWE: Chiefly, I believe, by the Imperial Oil company, by arrangement with the government of the United States. I may say the arrangement provides that after the war, I will not say all, but a considerable portion of the wells—at least half—become the property of the Canadian government, as they stand. If my hon. friend asks for a return, perhaps at this time the Department of Mines and Resources will give him the details of the arrangement.

Mr. COLDWELL: As a matter of fact we withdrew it at the request of the Minister of Mines and Resources, who did not wish it divulged.

Mr. HOWE: I know he could not do so before, but I think it may now be possible to give the information. I suggest it may be worth trying.

Mr. COLDWELL: Thanks for the tip.

Mr. HOWE: There is a fine oil field in the vicinity of Norman. I question very much whether it is one of the great oil fields of the world. I do not think there is anything to demonstrate that. It is a shallow field, and I doubt whether it will compare with the Turner valley as a source of oil. That is just a layman's view, from what I have been able to discover about it. Nevertheless it is a useful field. Whereas earlier it was inaccessible it is inaccessible no longer. There is a market for the product and the field is being developed accordingly.

Mr. STIRLING: It has been known for twenty or thirty years.

Mr. HOWE: Yes, at least that.

Mr. HANSELL: Before the item carries, and subsequent to the discussion which has already taken place, I have a series of questions which will appear on the order paper, the basis of which is found in the Ottawa *Citizen* of yesterday. I appreciate the point which has been raised by the hon. member for Rosetown-Biggar (Mr. Coldwell). The question gives me, and should give every Canadian, a good deal of concern, from the point of view that here is a huge development about to take place—

An hon. MEMBER: It is taking place.

Mr. HANSELL: —is taking place, yes, and we did not know a great deal about it until the United States authorities began to make an announcement regarding it. The article to which I have reference in yesterday morning's *Citizen* is dated from Edmonton, June 20, and reads as follows:

> A huge war-time oil development in the Fort Norman area of the Northwest Territories, 400 miles northeast of Whitehorse, Y.T., is under way.
>
> Captain Freeman C. Bishop, public relations officer for the northwest service command of the United States army, said the project probably will be completed this year.
>
> The programme, rivalling the Alaska highway in scope, was started many months ago, but previously the development was hidden under a shroud of military secrecy.
>
> In addition to scores of oil wells, a pipeline extending more than 1,000 miles from Whitehorse, Y.T., to the area will be completed.
>
> Brig.-Gen. James A. O'Connor, commanding general in charge of the Alaska highway, is in charge of operations. He said the project had been made possible only through the unflagging determination of the troops and civilians employed.
>
> Hoping to tap vast oil resources in Canada's northwest, now a military area under the control of the U.S. army, officials have sent huge amounts of equipment and aeroplane loads of workmen into the many oil bearing sections.

It does not tell us whether a Canadian company is developing it, whether the capital is Canadian or American, whether the United States government or the Canadian government is doing the work. The whole thing seems to be shrouded in mystery. We heard something about an aluminum cartel; here is what might appear to be an oil cartel.

The reason why I am a little exercised about this is that I go to Edmonton occasionally; all over this country Edmonton is talked about as being the coming city of

Canada, and I believe it is. I was in a hotel lobby on one occasion and sat on the lounge beside a United States army officer, whose name I do not know. We got into conversation. He had been into the far north. He said, "You folks here have been asleep over the years." I talked to him about returning to the United States, and he said, "You don't think we are going back, do you? Why," he said, "we are going to stay right here; we are going to take over for you people." That is the remark he made to me.

The Minister of Munitions and Supply may say that certain things are guarded for reasons of military secrecy, but he has a tremendous responsibility in producing munitions of war, and yet we are so slow that military officials of the United States have to come over here to develop our resources. That is a condition which bothers a good many of us, and I believe there should be some explanation of it. I get sick and tired of being in a Canada which is always at the tail end of everything. It is about time this country took the initiative in some directions. Surely, with a land of abounding wealth, some initiative should be shown in developing these resources for the good of the Canadian people. Let us not remain behind any longer in regard to natural resources or any other matter. When conferences are held, ours is the weak voice crying in the wilderness after everybody else has spoken. It is about time Canada showed more assertion in some of these things. I suppose the minister's answer must be accepted as sufficient for the moment, but I urge the government to take the initiative and be strong in connection with these issues; it would give Canadians a feeling that we are really getting somewhere. I protest against information on great national developments coming from other than Canadian sources when our own government has known right along that these things are happening, and yet we have not been informed about them.

There is, of course, also the question of to whom these developments will belong after the war is over, whether the people will have a share in their own natural resources, or whether private or alien controls will be so complete that little or no benefit will accrue to the Canadian people.

Mr. FRASER (Peterborough West): I asked the minister before about tropical serge. The item comes under his department. The note I have before me is that the government is supplying the cloth and reserving it for the air force only. Why is that so? Is there a shortage of that material?

Mr. HOWE: I am not aware of it. I think I would be aware if the army, navy or air force had ordered anything from the Department of Munitions and Supply which the department had not furnished. If the army have ordered tropical suits they have been getting tropical suits, and likewise the navy. There is no shortage of that material. The hon. member spoke about the wartime prices and trade board. I have no knowledge of the activities of the board, which reports to the Minister of Finance, but I can assure my hon. friend that we are still able to give the navy, the army and the air force whatever they require in the way of clothing.

Mr. GILLIS: I wish to ask the minister a question with reference to a press dispatch that appears in the New Glasgow *Evening News* of the 18th instant. I am not going to read it, but it refers to a small yard that was operating at Pictou, where the keels for two tugs were being built for the Royal Navy. According to this dispatch, about thirty per cent of the work was finished; they had on hand ninety-seven per cent of the materials necessary to complete the job, and under orders of the deputy minister of munitions last Saturday the work at that yard was discontinued. There are eighty men affected. The reason given for discontinuing the job was that it would interfere with production at the main yard. I understand that this small plant was constructed at quite an expenditure by the Ferguson Brothers; these two nearly completed tugs are on their hands, and apparently there is no understanding as to whether they will be completed. It is said that they cannot be completed anywhere else. Has the minister any comments to make on the situation?

Mr. HOWE: I am familiar with that situation. The contract for the two tugs was placed with the understanding that they would be built at Trenton, and it was not noticed immediately that there would be any difficulty at Trenton as far as labour was concerned. Some weeks later it turned out that the tugs were to be built by Ferguson Brothers at Pictou, which is a different situation. Pictou was a small village—I should not say village, but a small town—when the war broke out, and the government has built that town up into a fair-sized city to-day, having provided houses for two or three thousand workers and their families. All this was for the building of merchant ships. The Ferguson yard was formerly the only large industry at Pictou. A separation was made between the shipbuilding activity and the Ferguson yard, and the Ferguson yard was improved for the purpose of taking care of the repair of naval and mer-

chant ships. The yard is needed for that purpose. In assessing the repair capacity of Canada the Ferguson yard is counted as available. The Department of Munitions and Supply cannot agree that the Ferguson yard should be converted to the building of steel tugs. Steel tugs can be built in many yards in Canada which are not busy at the moment. The Ferguson Brothers were called to Ottawa, and we discussed the situation. It was explained to them that the capacity of their yard was required for other purposes and a mutually satisfactory arrangement was made for moving the material to other yards. The contract with Ferguson Brothers for building these steel tugs has been cancelled. It was an unfortunate mistake that the contract issued by the department should have been diverted in that way, but as soon as the mistake was discovered it was rectified. I assure my hon. friend that there is more work in Pictou to-day than there are men and women to do it. We have no facilities in Pictou which are not fully booked for the rest of the season.

Mr. GILLIS: I appreciate that, but what I cannot understand is that these tugs are thirty per cent completed and ninety-seven per cent of the materials necessary to complete them is on hand—

Mr. HOWE: They were not thirty per cent completed. They are more nearly ten per cent completed by actual cost.

Mr. GILLIS: Is that material to be left there?

Mr. HOWE: No. It will be shipped to Montreal and the contract will be completed. I believe it is the Montreal drydock company who have the bulk of the contract.

Mr. GILLIS: The Ferguson yard is being utilized for other purposes?

Mr. HOWE: For the repair of ships, yes.

Mr. CASTLEDEN: The minister said to-day that 1,850 Anson planes have been produced. What is the present cost of producing them compared with the cost in 1941 or 1942?

Mr. HOWE: The cost of producing Anson aircraft to-day is approximately $45,000. I do not know what it was in 1941.

Mr. CASTLEDEN: Does the break-down given here include overhauling and repairing of engines used in the British empire training scheme operating in Canada?

Mr. HOWE: To what figures is my hon. friend referring?

Mr. CASTLEDEN: I am referring to the estimates we are now discussing.

[Mr. Howe.]

Mr. HOWE: Item 5?

Mr. CASTLEDEN: Yes.

Mr. HOWE: These are revolving funds. The costs of overhauling planes are not voted in the estimates of the department of munitions. They are voted in the estimates of the Department of National Defence for Air. These are simply revolving funds that finance the work from the time the plane is delivered to us for repair to the time it is paid for by the Department of National Defence for Air.

Mr. CASTLEDEN: When the estimates were before the Minister of National Defence for Air I asked about that, and that minister said it was under the department of munitions. That is why I asked.

Mr. HOWE: That is correct.

Mr. GREEN: There has been some discussion concerning the pipeline from Mackenzie river to White Horse and concerning the wells at Fort Norman. Is there any agreement between the dominion and the United States or any board under the United States government with regard to this pipeline? As the minister knows, there is either an agreement or an exchange of notes between the two governments in connection with the Alaska highway. Is there anything of that type in connection with this pipeline?

Mr. HOWE: The proper place for my hon. friend to obtain that information is either the Department of External Affairs, properly that department, or the Department of Mines and Resources. The Department of Munitions and Supply has had no hand in the negotiations, and it would be unwise and improper for me to make a statement about the transaction.

Mr. GREEN: With regard to drilling for oil in northern British Columbia, what is the present situation?

Mr. HOWE: The only drilling for oil in northern British Columbia that I know of is a well drilled by the provincial government, which I understand is not productive. So far as I know there is no other drilling.

Mr. GREEN: There were negotiations between the provincial government and the dominion government concerning the development of that field. Can the minister make a statement in regard to those negotiations?

Mr. HOWE: No definite project has been brought to finality.

Mr. MacNICOL: Under the estimates of the Minister of National Defence for Air I

asked a question about small boats to be built in Toronto in a plant now being built south of the Canadian Pacific railway tracks near Leaside. I understand the boat is made of some kind of plywood and is used as a crash boat in connection with aeroplanes.

Mr. HOWE: I think they were light invasion barges. I understand it is the Howard Furnace company.

Mr. MacNICOL: Yes.

Mr. HOWE: We called for tenders on that boat and this company was low tenderer. The business was split between three companies. I am not defending the wisdom of putting the Howard Furnace company into that business. It is one of those things that happen. The production committee approved the transaction. I must say that it was not drawn to my attention. However, as I say, the Howard Furnace company were low tenderer, and they are now on their way and, I believe, are doing good work. It is a lump sum contract.

Mr. MacNICOL: I am glad to hear they are doing good work. I have known these people for quite a number of years and they are good furnace manufacturers. They know how to make and install hot air furnaces, and their furnaces have given good results. But when I saw that they had a contract for making boats of any kind, I just wondered how that came about. As the minister says, the matter did not come before him. I doubt whether a man of the minister's business experience would have given a contract for making boats to any hot air furnace manufacturer. It might just as well have been given to some farmer or egg producer. I hope the company makes a success of building these boats and makes some money out of it. But it is the sort of contract which makes the public wonder how the thing came about, especially when boat builders in Ontario are not running their plants at full capacity. I believe they are running at only 60 to 65 per cent of their capacity. Any one of the prominent boat-building companies on the Muskoka lakes or Georgian bay would have been glad to make these boats for the government. I think the minister ought to tell us why the men who let the contracts—not the minister himself—let this contract for making boats to a hot air furnace company, when from 25 to 30 per cent of our present boat-building capacity is not being used.

Mr. HOWE: All I can say is that every small boat builder in Ontario had a chance to tender on these invasion barges. The Howard Furnace company were willing to quote a lower price than any other company. I am not suggesting that all good judgment was used in the transaction.

Mr. MacNICOL: I am not quarrelling with giving the contract to the lowest tenderer.

Mr. DIEFENBAKER: There is one other matter I wish to bring to the attention of the minister. It has to do with a problem which has been discussed in the house on more than one occasion, namely, the production of alcohol from wheat. The minister dealt with this problem the other day at some length, and if I understood him aright the argument which he advanced against the use of wheat was that it would mean that the farmer would receive only 25 to 30 cents a bushel for the wheat so used. That argument has been used before. I know it was advanced in all seriousness by the minister, but I want to bring to his attention something which I think is worthy of his consideration. I realize that for the time being a decision has been made on this question, and that the plant at Sarnia has been or is being established. But within the last few weeks a new process has been discovered in the United States which it is claimed will revolutionize the production of alcohol from wheat. I refer the minister to an article in *Business Week* of June 12, 1943. This is an authentic magazine, and the article says:

> The chemurgist's dream of grain alcohol as the answer to farm surpluses may yet come true—and with it a lengthening horizon of post-war possibilities for the rubber, oil and chemical industries.

It goes on to point out:

> Park and Tilford distillery company demonstrated the new process last week at a distillery in Brownsville, Pa.

This was a process which was discovered less than four months ago by Irvin W. Tucker, a young chemist in the department of agriculture of the United States working under the direction of Doctor A. K. Ball, chief of the department's enzyme research laboratory. They have been working on this process for a considerable period of time, and the difficulty of the price to the farmer for his wheat was apparent, as well as the problem of the utilization of the by-products. Yet within the past few weeks, according to this article—I am going to quote only a portion of it—a new era has come in prospect for the wheat producers. The article states:

> With full development of the possibilities, grain alcohol can be reduced to the cost levels of molasses and synthetic alcohol, which are ordinarily about 50 per cent cheaper than grain alcohol. This would make large-scale production of grain alcohol for synthetic rubber and other

industrial purposes a practical post-war possibility, with tremendous implications for industry as well as for the farmer.

Heretofore, chemurgists who grappled with the question of farm surpluses habitually stubbed their toes on two hard problems: There was no market for the tremendous volume of alcohol that could be produced from farm products, and the cost of farm alcohol was prohibitively high.

That was the point made the other day by the minister. The article goes on:

The war has solved the first problem—the synthetic rubber industry can use 250,000,000 gallons of alcohol annually, and there is more possibility that farm alcohol may be needed for motor fuel with petroleum reserves being depleted at global war rates. Ball and Tucker appear to have solved the second.

There is no more important problem than this. I think it is only fair to say that the members generally have not a knowledge of chemistry and of the possibilities of development in this industry to speak authoritatively upon it. The minister stated last night that the war was not being fought by Canada on the basis of provinces or provincial considerations, and with that, at the moment, I am not going to argue, but I feel that we in the western provinces have received too few war industries or industries established or bonused by the government through capital assistance. Our western provinces, and in particular Saskatchewan, have been depleted of a large percentage of their population because war industry has taken them out of those provinces, though not in the same large measure as enlistments for service in the armed forces. This problem of the production of alcohol will become intensified as time goes on and oil reserves are depleted. The minister has unreservedly given the government's approval to the production of rubber from petroleum, but his decision and his statement will not down the cry from all over western Canada for the solution of this problem by utilizing the wheat reserves.

I wish to offer to the minister a suggestion which I think is worthy of serious consideration. We in this house can never arrive at any definite conclusion in regard to this problem, not being possessed of the necessary knowledge of chemistry or the processes involved. In view of the fact that hundreds of millions of dollars have been advanced to industry in eastern Canada, with practically no such advances being made in western Canada, at least as far as Saskatchewan is concerned—as I have said on more than one occasion, the total of capital advances and assistance in that province does not exceed $1,000,000—in the interests of the farmer; in the interests of the liquidation of part of the large reserves of wheat that we have on hand, would the minister give consideration to the appointment of a royal commission to investigate the whole problem? I do not suggest a commission composed of men unacquainted with the problem, but rather one composed of representative chemists, professors of chemistry and commercial chemists, who would look into the whole problem, and arrive at a scientific conclusion with respect thereto. When one reads an article such as that to which I have just referred, appearing in a most authoritative magazine, in which it is stated that this process can be and is being developed in the United States, and that it assures a fair and reasonable price for the farmers' wheat, it becomes a matter for serious consideration.

The setting up of such a royal commission would not be a costly process. Representatives of the chemistry departments of the different universities, industrial chemists and men of that kind could be convened, and during war time most if not all of them would give their services without cost to the state, with a view to contributing to the solution of a very important problem. I bespeak the minister's consideration for this suggestion. I think it would do much to clarify the atmosphere and the thinking of farmers all over Canada who believe that something should be done and that the reason why it is not being done is the attitude of the oil companies. I do not join in that view, though I mention it. By the setting up of a royal commission the whole problem could be considered; the various processes could be discussed and decided upon by men competent to deal with such matters and, if favourable findings were made by this commission and acted upon a very important contribution would be made to the welfare of the western provinces and to the dominion as a whole.

Mr. HOWE: I would point out to my hon. friend that thorough study has been given to this matter already. He asks that a royal commission be appointed, but I would suggest that we have in Canada a permanent body, the national research council, which is set up exactly as my hon. friend suggests. It has scientists from industry and scientists from the teaching profession; it is the focal point for all the scientific knowledge in Canada, and in my opinion it is most ably administered. The president of the national research council was formerly dean of the university of Saskatchewan, which position he occupied for some twenty years or more. Therefore I suggest that he is not unfamiliar with the problems of the

west and not unsympathetic to those problems. The national research council studied this question thoroughly, but sooner or later a stage is reached when a decision must be made, and in this case the decision was made. Since that decision was made, the government has spent a good many million dollars in preparing to produce butadiene from petroleum. It is all very well to suggest that, having spent this money, we should set up a royal commission to say whether we should produce this commodity in some other way. We are building now, and we shall have enough capacity to meet our requirements. I cannot imagine that for a great many years we shall need butadiene in excess of the amount we are organizing to produce. Therefore what would be the purpose of a new study? Perhaps the decision was wrong; but the decision was made; action was taken, and it is very difficult to turn back the clock at this stage. I say the best scientists in Canada studied the question and arrived at the conclusion which the government is implementing. That decision having been taken rightly or wrongly, there is no purpose in reopening the subject at this time.

Mr. JAQUES: I find myself in considerable confusion following the remarks of the hon. member for Lake Centre. On the one hand we are told that every bushel of grain will be needed for food after the war, that millions of people in Europe are literally starving to-day. On the other hand we are told by some hon. members that the only way to dispose of our surplus grain is by spoiling it for human food. I speak as a farmer with forty years experience in western Canada, and I have a little knowledge of chemistry. I wish to say that this idea of turning prime human or animal food into inedible substances is simply the wrong economic solution. People are saying that the economic system under which we operate at the present time cannot provide a decent living for those who are producing the food of the world, and that therefore we have to take some of that food and turn it into chemical substances in order to create a shortage of food so that the price may be increased. It is the same old economy of scarcity. If this house and this country, or the world if you like, have not yet learned that it is possible adequately to reward people for performing the most fundamental of all services, then they have not learned anything, and the outlook for the world after the war is an extremely poor one. There is a proper way of doing this. It is not necessary to spoil food in order to make it scarce. Either there are millions of people in Europe and elsewhere who are hungry, or all the propaganda we have been hearing is false. If that situation does exist, certainly we shall need all the food that can be raised; and the price of that food or the reward to the growers of it is not a question of chemistry but a question of economics, and, I might say, of finance. Monetary reform; that is the solution, not chemurgy.

Mr. WRIGHT: May I ask a question respecting the processing of wheat into butadiene and alcohol. I understand there have been certain recent developments in that process which might change the picture from what it was at the time the government made its decision. Have there been such developments?

Mr. HOWE: I know of no development which would have changed the decision, had we been making it to-day. The government maintains an experienced chemist as liaison officer in Washington, who keeps in close touch with chemical developments in the United States. I receive his reports from time to time. Then, our own officers are studying the position intensively. I know of no recent scientific development which would have changed the decision, had we been making it to-day. I think the decision if made to-day would be the same one we made some twelve months ago.

Mr. GREEN: Apparently employees on the third shift, which is known as the graveyard shift, in shipyards on the Pacific coast are paid on the basis of nine hours' pay for seven hours' work, whereas those who are engaged in the Boeing plant, in connection with aircraft production, are paid on the basis of eight hours' pay for seven hours' work. Is it the policy of the government that there should be the same treatment in all war industries? Why should there be that difference?

Mr. HOWE: The policy of the government is that labour courts have been established to decide wages in every industry. The courts have given their decision with respect to the shipbuilding industry, and the aircraft industry, for reasons which they no doubt found equitable. The government has nothing to do with wages. Wages are determined either by the national war labour board or by regional war labour boards, and the government, the manufacturers and labourers themselves are bound by those decisions.

Mr. GREEN: Has that resulted in the same difference between the practice in shipyards and aircraft plants right across Canada?

Mr. HOWE: I cannot say as to that; but I think my hon. friend would do well if he would do what everyone else does, namely, let the courts decide.

Mr. ADAMSON: I understood the minister to say an amicable settlement had been made or was to be made between the Pictou shipyards and the department with respect to the dispute in connection with tugs. Was the minister referring to Ferguson Brothers?

Mr. HOWE: Yes.

Mr. BLACKMORE: I asked the minister if he would bring to the house to-morrow the prices the Canadian government is paying in Canada for various types of aircraft, and he intimated he would do so. Would he at the same time bring the prices the United States government is paying for the same kind of aircraft in the United States?

Mr. HOWE: I cannot bring the latter information, I am sorry to say, because I do not have it. I can give the hon. member the prices we are able to determine at this time. As I said, the Mosquito and the Lancaster are just coming into production, and a sufficient quantity has not been made to determine prices. However, I can give some prices of other types of aircraft. As I said a while ago, the Anson costs $45,000; the Tiger Moth, $4,800; the Bolingbroke, $62,500; the Lysander, $28,600; the Harvard, $20,000, and the Hurricane, $33,750. These prices are plus sales tax.

Mr. FRASER (Peterborough West): And including engines?

Mr. HOWE: Yes.

Mr. DIEFENBAKER: I asked several questions this afternoon which I realized the minister would not be able to answer immediately. Would he answer them to-morrow?

Mr. HOWE: I shall look through *Hansard,* and if I can furnish the information I shall be glad to table it.

Mr. DIEFENBAKER: I have not yet received a reply to my question respecting the poundage of plane production in each year. The minister indicated that there had been a considerable increase, and I should like to have the yearly record.

Mr. HOWE: I shall furnish that.

Mr. GRAYDON: There is a matter I should like to bring to the minister's attention, and concerning which I would ask for some information. I refer to the manufacture of Bren guns. In his statement on June 11, as reported at page 3545 of *Hansard,* the minister said that the maximum output of Bren guns would be 8,000 a month, which will be reached this month, and will be maintained at that rate until the end of 1944.

I do not think the full information respecting Bren guns has come out, and perhaps in answering my question the minister may be able to satisfy the committee. Has the Bren gun plant during the past year, or the past few months, spent a considerable amount of money to raise the production of that plant to 10,000 rather than 8,000 a month? The minister's statement would mean that instead of a maximum production of 10,000 a month, the reduced amount is now 8,000, and that that number will be maintained until the end of 1944.

I believe it is well known throughout the country that in respect of war contracts, and particularly those having to do with gun production, any reduction in contractual obligations has arisen from a readjustment of British contracts. While the reasons for those reductions need not be discussed here, the fact remains that such reductions would have entailed the transfer and change in employment of a good many men in the plants involved. The minister's statement that 8,000 would be produced until the end of 1944 indicates that at least to some extent the production of Bren guns is being turned from the British contract to a contract for some other country. That brings me to the point connected with the utilization of mutual aid funds. A billion dollars has been appropriated under the mutual aid bill for the purpose of providing war supplies for other countries. Having in mind the fact that there is a contraction in the obligation which this country must now fulfil to Great Britain, would the minister indicate whether there has been some recent arrangement under which the Bren gun plant, and other plants, have now been kept at their normal output by virtue of utilization of part of that billion dollar fund? That being the situation, I think the minister ought to give the committee information with respect to what part of the reduction in the British contract is being taken up by the utilization of the billion dollar fund. I think the minister and hon. members have read that part of the billion dollar fund is being used to take up the slack, if one may use the ordinary term, of these contracts with Britain which have been subsequently cancelled. At her press conference Madame Chiang Kai-shek referred to a matter, which was referred to subsequently in the debate by the hon. member for Lake Centre (Mr. Diefenbaker), namely, the urgent need by China of aircraft. The minister has referred to the expansion which has taken

place in the production of aircraft, and I should like to know if China or other countries have asked for this extra output which would seem to be available by reason of the restrictions in the British contract. Or are we utilizing part of the billion dollar fund for the purpose of keeping our men employed and our plants operating?

Mr. HOWE: I can say at once that we are not carrying on any production for the sake of providing employment. I wish I could get 35,000 or 40,000 men to-day from plants where they are not needed. I would certainly close down any such plants immediately because I know exactly where I would put the men thus released. We do not keep plants going for the sake of employment. My hon. friend is quite mistaken about the contracts in the past for the production of Bren guns. The output of the Bren gun factory has not been going exclusively to England. A large part of it has gone to our own troops. Bren guns have been sent to China, the Philippines, to Australia, to New Zealand. Our production is governed by the combined production and planning board. This board assesses the need for products all over the world and decides how much will be made in Canada, in England and in the other producing countries, and the manufacture is arranged accordingly. Distribution is taken care of by the munitions assignment board; when the guns are made they are assigned to each government by that board. That is the ordinary procedure.

The production of Bren guns has been stepped up continually since the war began. I believe the original rate of production was 5,000 a year. We had an objective of 3,000 a month which we thought would meet the demand, but further pressure was exerted to increase the production, and it has been increasing each month. We have never reached a production of 8,000 a month, but we have passed the 7,000 a month mark. Two other types of automatics were made in the plant, the Colt-Browning and the Boys anti-tank rifle. We thought of stepping up the production of Bren guns to 10,000 a month by converting certain machinery which had been used to manufacture these other types. However, a study of the situation indicated that this would be more than the allied needs, and we levelled our production at 8,000 a month. A production of 8,000 Bren guns a month would seem to meet the requirements of the war as they appear at the present time.

Mr. GRAYDON: Have any men engaged in the production of Bren guns been laid off?

Mr. HOWE: I cannot say what the men were working at, but the number of men and women engaged in the production of Bren guns is greater to-day than it has ever been. A certain number of men who were producing Bren guns two or three months ago may have been laid off for the reason that they had low seniority. The lay-off took place on a plant-wide seniority basis. While I am on my feet, I should like to correct a statement I made a few moments ago. I stated that the cost of the plane included the cost of the engine, but it does not. The costs I gave do not include the cost of the engine.

Mr. BLACKMORE: How many plants in Canada are devoted exclusively to the manufacture of machine tools?

Mr. HOWE: There are a number.

Mr. MacNICOL: Many dozens.

Mr. HOWE: I think perhaps that is true.

Mr. BLACKMORE: Is Canada equipped to manufacture the machine tools which will enable her to change over from war production to peace production?

Mr. HOWE: Yes.

Mr. DIEFENBAKER: The minister said that he could use 35,000 to 40,000 men. In what industries would he use them?

Mr. HOWE: I would start with the highest priority industries and go down the line. I would start off with the aeroplane industry, and the naval shipbuilding industry; I would straighten out the flour-milling situation at Peterborough and give the General Electric the 600 men they need. I would go into the base metal mines and bring them up to the strength they should be, and I would give some help to coal mining and lumbering.

Mr. DIEFENBAKER: Is there a shortage of man-power in the aircraft industry?

Mr. HOWE: Yes. It is still expanding and it needs more men.

Mr. CASTLEDEN: When was Toronto Shipbuilding taken over as a government company, and what has been the production record of hulls and completed vessels?

Mr. HOWE: This company has completed sixteen Bangor minesweepers.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. NICHOLSON: This afternoon the minister gave us additional information in connection with housing, and he has accounted for $43,000, which reduces the cost of the unit of

fifty houses nearly $1,000 per unit, as he explained it, but I must say that the information he has given does not clear the situation. He mentioned last evening, as reported in *Hansard*, at page 3853:

> The hon. member for Mackenzie has given rather an Alice in Wonderland picture of the costs of these developments. He seems to be wholly confused by the returns he obtained.

I must admit, Mr. Chairman, that I am even more confused since the minister gave his information to-day. He gave us a table for the 100 houses showing the average cost to be $2,939.87; that is the figure he gave last night; but the extras in connection with these houses, to provide sewers and streets and so forth, average $995.48 per unit, whereas last evening, in answer to a question, he stated the average in Hull was about $760 per house. Last night he gave the cost of the two-bedroom house as $1,889.13, and this afternoon he gave the cost as $1,980.78. There is a difference there of about $100 per house, and no explanation is given as to whether the figures reported last night were wrong or those read this afternoon were wrong. Then, extras in connection with these fifty houses average $828.68; and as I pointed out before, the minister gave $760 last night as the cost of the extra services. I submit that it is the minister who has given us an Alice in Wonderland picture, and I would appreciate it if he would have his officials make a further study and tell us whether the figures he gave this afternoon, or the ones he gave last night, or some others, are the ones we are to accept.

Mr. HOWE: The department has made three returns on the subject. All three are correct with one exception: one return was not corrected for the money that was spent in Hull on the Ottawa project. If my hon. friend will make that correction he now has the final figures of the whole project, which are entirely consistent with the three returns which were handed down in this house. I do not know that I can do any more for him except give him the final figures as we have recorded them here.

Mr. NICHOLSON: Except that last night the minister stated, as reported in *Hansard*, at page 3853:

> In connection with the Hull project . . . for the two-bedroom houses, it was $1,889.13.

This afternoon he brought down information that the costs of the fifty houses totalled $99,039.07, which gives an average for the fifty of $1,980.78. Either the minister was wrong last night, or he was wrong this afternoon. I hope that in due course he will tell me on which occasion he was wrong.

[Mr. Nicholson.]

Mr. HOWE: There were two types of house in the fifty-house project. I gave the cost of the small house. As the return shows which I put on *Hansard* this afternoon, it is called style No. 1, and the average cost was $1,897.78; as to style No. 21, of which twenty-five were built, the cost depends on the interior finish, but it varies between $2,065.56 and $2,073.76. The figure my hon. friend has taken is the average of the fifty houses, and he has an average house there which is neither type No. 1 nor type No. 21, but is a composite of the two. If he will take into account that in the fifty there are twenty-five of one type and twenty-five of another, he can reconcile the figures.

Mr. NICHOLSON: The figure of $1,889.13 which the minister gave last night was the average for the fifty.

Mr. HOWE: No; I gave it as the cost of the small house.

Mr. NICHOLSON: I wish the minister had made that clear last night.

Mr. HOWE: I make it clear now.

Item agreed to.

6. General production and warehousing expenses, $15,000,000.

Mr. MACKENZIE (Vancouver Centre): Carried.

Mr. GRAYDON: I am prompted to rise at this moment if for no other reason than the anxiety of my hon. friend across the way. I wanted to ask the minister whether this item covers storage of materials which are on this side of the water awaiting transfer overseas.

Mr. HOWE: Yes. I can give my hon. friend the break-down if he would be interested.

Mr. GRAYDON: I would.

Mr. HOWE: It includes a number of items: First, subsidies to private contractors. I might say that certain coal industries and certain freight rates in the steel industry are subsidized by the department. That is one item. Then, payments to municipalities: that is for services to a municipality rendered in the event that the industry itself does not pay taxes.

Mr. CASTLEDEN: Would the minister give the amount of each of these items?

Mr. HOWE: Yes.

Subsidies to private contractors; estimated subsidies for 1942-43, $6,675,665.98, of which there was actually expended $4,294,793.80.

Payments to municipalities, estimate last year $561,965.65, actual expenditure $219,696.73.

Machinery transfers; that is transfers of machinery owned by the crown from one plant to another plant; the estimate of that last year was $10,000, and the actual expenditure was $1,248.73.

Patent rights: the estimate for last year was $1,000,000; instead of an expenditure last year there was actually a revenue of $187,889.49.

Experimental and development costs: the item provided was $2,418,837.50, and the actual expenditure was $474,304.55.

Mr. GRAYDON: Would experimental costs have to do with the matters which the minister referred to this afternoon, namely the research council, or is that an additional amount?

Mr. HOWE: It is in connection with army engineering design, which is carried out for the army by the Department of Munitions and Supply certain testing in the development of army vehicles, and some development work which is carried out for us by the research council, for which we pay; and expenditures of that sort.

Mr. GRAYDON: Does that cover investigation into private inventors' plans and devices?

Mr. HOWE: No. Private inventors' plans are examined by the inventions board, which is not in the Department of Munitions and Supply. I had better furnish the remainder of this break-down, since I am at it.

The next item is operation of storage warehouses: there was an item of $2,000,000, and actually there was a revenue of $52,400.58, instead of an expenditure.

Other production expenses: estimate, $1,181,057.33 actual expenditure $927,275.80.

Duty and taxes on United Kingdom purchases: estimate $15,000,000; actual expenditure, $5,634,847.74. Our agreement with Great Britain provides that no duties shall be assessed against goods moving to the United Kingdom. In other words, if we buy components in the United States they enter Canada duty free for the United Kingdom, but the mechanics of the thing is that we actually pay the duties and then deduct them from the invoice price to England and charge them to this account. It represents Canadian duties paid on United States imports which later went to Britain.

Publicity campaigns in connection with rubber and fuel: estimate $675,750.43; expenditures, $322,182.51.

Mr. GRAYDON: Has the minister an itemized account to show how that amount of $372,000 is made up?

Mr. HOWE: I have the information, but perhaps I may be allowed to put these figures on *Hansard* first.

Operation of chartered vessels: appropriation $435,944.83; actual expenditure, $145,111.02.

Gasoline rationing plan: appropriation, $1,800,000; actual expenditure $938,601.95.

Administration of government-owned companies: $4,000,000 appropriation; actual expenditure, $1,496,740.84.

Loss through cancellation of contracts: appropriation, $10,000; actual expenditure, $3,746.30.

Protective measures; oil storage; appropriation, $85,000; actual expenditure $82,148.68.

Last year's appropriation was $35,854,221.72, of which we expended $14,300,408.74. The item this year is $15,000,000 odd of which $5,000,000 is a revote.

Mr. GRAYDON: As regards subsidies to municipalities, has the department any general policy of compensating municipalities where a property has been expropriated—I have a particular instance in mind—where a crown company has been formed to take over the operation of the plant itself. In these cases, as the minister knows, some serious complications sometimes arise on the question of loss of revenue to the municipalities. What is the department's policy in general with regard to crown companies which are replacing those that have been tax-paying institutions previously?

Mr. HOWE: If the ownership of the property passes to the crown, the property is of course tax-free under the British North America Act, and nothing can be done about that. But if services are rendered by the municipality to the plant itself, it is the custom to pay for them. The payment is payment for services, not payment in lieu of taxes. It is an equitable payment for services rendered.

Mr. CASTLEDEN: What are the companies and private contractors to whom subsidies were paid in connection with the $4,000,000 odd? What are the quantities of coal moved, and where?

Mr. HOWE: The largest item is in connection with the Dominion Steel company. Its ore is at Wabana, and the transportation costs have to be paid. It has also to move coal to its destination up the St. Lawrence. That movement has been seriously interrupted by the war. As hon. members know, a number of

boats owned by the Dominion Steel Company —all the boats—have been sunk by enemy action. The boats now operating carry a very high war risk insurance rate, and in order to make operations of the plant possible, an agreement was entered into about eighteen months ago to the effect that the dominion government, as a subsidy, would compensate the company for increases in the cost of water movement of its raw materials and finished product. That payment last year amounted to, I believe, about $3,000,000.

Mr. CASTLEDEN: That is the Dominion Steel and Coal?

Mr. HOWE: Yes. In addition, certain coal mines in the west have been subsidized to some extent, for opening up new operations or for improving the output of their coal. I have not the break-down of these payments. The emergency coal production board hears the applications for subsidies and recommends the application, or otherwise, to the department. If a recommendation is made by the board and it receives the approval of the department, the subsidy is paid.

Mr. MacINNIS: What was the value of the material moved by the Dominion Iron and Steel Company on which the subsidy was paid?

Mr. HOWE: Iron ore and limestone from Newfoundland and Sydney, and coal moved up the St. Lawrence, would run into a very large figure. I cannot say what the amount would be, but it would be in the order of fifteen or sixteen million dollars.

Mr. GREEN: This item includes charges for warehousing. When one sees these goods stored beside railway tracks in different parts of the country and in all sorts of weather, one wonders why that material is not put under cover. I suppose that question has been given thorough consideration by the minister, but could he tell us why it is not possible to protect these goods from the weather? Do they not depreciate greatly by being left out all winter?

Mr. HOWE: No; the goods do not depreciate. The service vehicles will see much rougher usage after being uncrated than they do while they are in crates, and if there are a few spots on the enamel that is not a very serious matter for war vehicles. The vehicles are well and substantially packed, and I can assure my hon. friend that no damage results from storing them alongside the railway tracks. He realizes that the normal stock of vehicles is about 30,000. Our people advise me that they cannot fill their shipping orders with stocks of much less than that, which represents a little less than two months' output. If stocks get over fifty thousand, as they did on one occasion, we get disturbed. But thirty thousand we consider normal.

Mr. HARRIS (Danforth): I would point out to the minister that his general statement is probably quite all right. But as a matter of real fact many thousands and thousands of dollars worth of these goods—

Mr. FRASER (Peterborough West): Millions.

Mr. HARRIS (Danforth): My hon. friend suggests millions. I am being conservative and saying that many thousands and thousands of dollars worth of these goods are stored alongside the railway tracks, exposed to the weather and with the packages broken. To my own knowledge, in the area fronting on the Don river, thousands and thousands of dollars worth of spare parts to replace the springs on vehicles which were recently used in the North African campaign are lying there exposed to the weather and have been for months. Even rubber tires are lying there exposed to the weather and have been for many months. No doubt they are destined to be replacement parts on vehicles at present in combat areas. But there is no doubt in my mind or in the mind of anyone with ordinary common sense that these goods are perishing.

I am rising on this occasion not so much to criticize the handling of these goods as to point out to the minister and to those charged with the responsibility for taking care of these thousands and thousands of dollars worth of goods that this exposure to all kinds of weather affects these spare parts considerably, and that consideration should be given by those responsible to the depreciation which is taking place in these goods. I can readily understand that there are difficulties in unloading and storing these goods, because it is a new venture for the carrier company and warehousing is not provided. These goods have accumulated as a war-time necessity. At the same time, however, I should like to put on record as a constructive criticism that something should be done to protect the many, many thousands of dollars worth of these goods from the damage which is now being done to them on account of the inadequate warehousing facilities, those facilities being on the ground by the side of the tracks.

I know it is impossible for the Department of Munitions and Supply to have spare parts

for every type of equipment overseas always ready for shipment. I know the difficulty in getting bottoms to transport these goods across the ocean, but in the interests of economy a review should be made of the entire inventory of spare parts lying alongside the tracks all across Canada, because the goods are at present depreciating to an extent which those responsible are perhaps not cognizant of. I refer particularly to the area with which I am perhaps better acquainted, from Windsor through to Montreal, where there are thousands and thousands of dollars worth of goods stored alongside the tracks and perhaps without any destination. I saw the word "Egypt" on many, many hundreds of these packages, some of which were broken, some in a state of disrepair, some spoiling, some depreciating. Some of these goods have been stored alongside the tracks for a period of two years.

It must be remembered that the original destination of these goods may be changed. I realize the difficulties of the department in getting furtherance orders with regard to these goods, because there are no bottoms available in which to ship them. At the same time, however, as a matter of economy in taking care of this costly investment, someone within the minister's department should give consideration to whether these goods are not going to be destroyed through exposure to the weather and depreciation to an extent that they may not be serviceable if and when they eventually reach their destination.

I realize the other difficulty. While these spare parts stored in Canada in the wide, open spaces have depreciated, they may not find their destination in the areas where the original machines of destruction for which they were intended as spare parts were used. The department would be well advised to take an inventory of what is lying out in the open all across Canada to replace as spare parts equipment that has already been shipped by way of Egypt for the North African campaign. These goods may never be used now in North Africa. Their original destination may be changed. I am of opinion that perhaps many scores of thousands of dollars worth of goods lying out in the open in Canada without warehouse covering, but lying as warehouse goods under this particular vote, might be reclaimed for shipment to other theatres of war where they could be used. Perhaps many thousands of dollars worth of equipment has been shipped to the United Kingdom, and we may even find ourselves short of replacement parts for this equipment. We hope that the North African campaign is over, and these goods lying along the track branded "Egypt" may never have to go to Egypt. Could they not as a matter of economy be brought back into supply for some other destination for which we are at present manufacturing supplies?

I am of opinion that this tremendous investment of Canada should be reviewed and an inventory taken, so that the department would know what they have available and what is not necessary for shipment to Egypt and the North African campaign.

Therefore the question I would direct to the minister is this: Has he recently had before him a review of this entire situation, representing a tremendous investment on the part of Canada, and has he any concrete plan for bringing into the asset side of our war effort this tremendous inventory of goods which are at present stored in Canada, some of which might be usable in a present theatre of war, and very much of which I am afraid is depreciating rapidly and should be brought back into supply to service equipment which has already been shipped overseas by the Department of Munitions and Supply?

Mr. HOWE: I would be sorry, Mr. Chairman, if hon. members supposed that these goods were simply placed beside the track and forgotten.

Mr. HARRIS (Danforth): On a point of order, Mr. Chairman, I am not going to have the minister put in my mouth words which I did not say. I did not make the statement that the goods were put beside the track and forgotten. I was doing my best to offer a constructive criticism, and I rarely say anything unless I know what I am talking about. I did not suggest for a moment that they were put there and forgotten. I suggested that they were there now, and that since we had won the battle of North Africa there would be no necessity of sending more of these spare parts to that theatre of war. I was trying to make a constructive suggestion in that regard, and I ask the minister not to put in my mouth words that I did not utter.

Mr. HOWE: My hon. friend is much too sensitive. Certainly I did not intend to put words in his mouth, and I did not think I was doing so. However, there seems to be an impression abroad that we do not have inventories of these goods, that we simply leave them there and let nature take its course. That is not true. We have an organization, headed by a man of great experience in charge of stored goods, not only automobiles but other goods that are stored, and periodic inspections are made.

Mr. HARRIS (Danforth): Just stir up the head of that organization a bit, to see that he is on the job.

Mr. HOWE: I can assure my hon. friend that every week I have an inventory of the goods in store in Canada. It is not an inventory that deals with small figures; it runs into very large figures. We do try to keep our inventories within reasonable proportions, and if we find too large an accumulation we apply for more shipping, which we usually get.

Mr. FRASER (Peterborough West): That organization was formed only this year, since January 1, was it not?

Mr. HOWE: We had men doing the work before that, but we set up a more formal organization perhaps a year ago.

Mr. FRASER (Peterborough West): I believe they have been checking all these deposit places only this year.

Mr. HOWE: Nevertheless we maintained inventories before that. In the matter of spare parts, I may say there is no guesswork in that connection. No vehicle leaves this country without a standard list of spares. I do not think Canada needs to take off her hat to any other country making motor vehicles in the way we have kept up our spare lists. The manufacturers would much rather supply finished vehicles than parts, and it has taken a good deal of pressure to keep our spares up with our vehicles. When a vehicle is put on board ship a complete set of spares for the required period, usually one year, is forwarded with the vehicle to the same destination and on the same boat. I can say also that no vehicle leaves these shores without a final inspection by the inspection board of the United Kingdom and Canada, and there is no danger whatever of a defective vehicle being put on board ship.

I think the damage suggested here has been greatly exaggerated. I know of very little damage and of very few claims for damage to goods. These goods are stored for the account of the owner. I may say that each vehicle as it comes out of the factory, is destined for a certain owner; it is built to fill a certain order. We have certain crates marked for Egypt that have not gone to Egypt; nevertheless the vehicle is what is called a desert-type vehicle in that it has sand tires, is fitted with sand-proof bearings and has certain other characteristics for desert work. It may be true that the fighting is over in North Africa, but perhaps it can be assumed that desert fighting in this war is not over. In any event the desert vehicle is a better made vehicle than the standard, and if it is not required for desert fighting it will be accepted gladly for any other type of fighting.

Mr. MACDONALD (Brantford City): There is one matter I should like to bring to the attention of the committee; it may not come strictly under the heading of general production and warehousing expenses; but since it has not been discussed already, I thought I might bring it up now.

Before doing so, however, since I have not previously taken part in the discussion of the munitions and supply items, I should like to take this opportunity of joining with other hon. members in congratulating the minister upon the great work he has accomplished. There has been some criticism of certain features of the work of his department, but I think members of this house and the great majority of the people of Canada realize that he has performed a magnificent task in bringing Canada's production to the high peak it has attained.

The matter to which I should like to refer is the giving of an award for great accomplishments in the manufacture of materials vitally needed for the winning of the war. There is no doubt that the manufacturing concerns of this dominion have performed a task which most of us thought impossible of achievement when the war started, and I think we should give credit to the executives of these manufacturing concerns as well as to the working men and women who have carried on in these plants. I know in the city of Brantford there are many elderly men who have spent long hours in the munition plants in order that our output might be the very greatest possible. These working people have not hesitated to labour very long hours, often at great sacrifice and to the detriment of their own health. The executives and workers of these companies take great pride in what they have accomplished; they rejoice in their achievements, and I believe some award might be given them. In our fighting forces awards are given for great achievements, for outstanding accomplishments and for heroic acts. This might be applied to the manufacturing concerns of our country. I believe in the United States there is an army and navy E award given to companies which achieve a certain high standard of production. My suggestion to the minister is that in Canada a high standard might be set and that those companies which attain such high standards should receive a reward. This reward might consist of a flag to be flown from their buildings, while each man in the plant might receive a pin bearing some symbol which

would designate great accomplishment. I know the executives and working men would welcome such an award. It would be something toward which they could strive. I believe it would stimulate production, and would keep morale high in such companies. At the present time the company which is not doing a good job is not differentiated from the company which is doing an outstanding job. If some such award as I have suggested were given for great achievement, I am satisfied it would help much in our war effort.

Mr. CHURCH: I do not rise to speak critically of the government; far from it. But I must point out that the people of this country are aware of the vast expenditures made in peace time on our two great railway systems, as they serve on land, and through their steamship connections. The people in your constituency, Mr. Chairman, and in many other constituencies throughout the country, along the rights of way and branch lines of the two railway systems, are very much disappointed in these days with those systems. They see the line-up of package freight and munitions which has existed for a very long time, and into this fourth year of the war. When all these munitions are required to fight the enemy where the enemy is to be found, the people of Canada are wondering what they are getting for their money.

A return to the house has shown that down to the end of 1940, one year and three months after the outbreak of war, the Canadian National Railways had received two billion and a half dollars and the other system about twenty-five per cent more. That is more than they made in the whole four and a half years of the great war. I do not blame the minister for this condition. But I must say those who are overseas are wondering about the reason for this congestion. What is the object of it? Have matters which have come before the house, such as the plebiscite, and the difficulty of deciding the position of the theatre of war, held up these shipments? We may talk as much as we like about this matter, but the people back home in our constituencies see these goods along the rights of way of the two transportation systems. I am very much discouraged when I think of this. The soldiers overseas do not believe in it; and there should be an investigation into it. The two transportation systems are falling down all along the line.

For instance, let us consider the passenger service the two railway companies are giving us. Where is the railway commission, when all this is going on? Under the act they should operate in peace and war, but they have not done one thing to regulate this freight lying along the rights of way of the railways. Home defence does not amount to anything, when it comes to beating Hitler. These munitions are required overseas, and if we hand these supplies to home defence, it will not amount to the snap of a finger in beating Hitler. Hitler will rejoice when he sees what is going on in this country.

Mr. MacINNIS: I was told that the reason why these goods were lying along the railways was that there was a lack of ocean shipping facilities. On account of the length of time the goods have been there, are any of them now obsolete?

Mr. HOWE: No, the goods are not obsolete. As I said some time ago, the practice is to use Canada as an area for accumulating necessary supplies for movement into a new area. As I stated earlier, prior to movement in North Africa we had very large stocks of goods in Canada, including motor cars. The boats which moved to Africa were loaded largely in Canada, and our stocks were sharply reduced at that time. I have no doubt that, if another invasion effort takes place, Canadian stocks will be heavily drawn on again.

In the early stages of the war the practice was to move goods from Canada to Great Britain, and to use Great Britain as storage ground. That is no longer being done. There are accumulations here which may be large or which may be small, depending on the state of the war. But they are part of the general strategy. They are by no means overlooked. I think there has been some exaggeration as to the length of time that any considerable number of items has been in storage in Canada. I am quite sure no article has been here as long as two years, standing alongside railway tracks.

Mr. GILLIS: I was interested to hear the Minister of Munitions and Supply state that Dominion Iron, Steel and Coal were subsidized for 1942 to the extent of $3,000,000. I am not objecting to the payment of these subsidies, provided they serve the purpose for which they are intended. I find an interesting statement in the *Financial Post* of June 12. I do not know whether the minister saw it or not, but it is captioned "Dominion Coal Seeks Subsidy", and it leaves one something to think about. The following appears at page 18:

> Government auditors are now perusing the 1942 statement of Dominion Coal Company to check its claim for special subsidy treatment under the emergency coal production board.
>
> Although it mined 67,000 fewer tons of coal in 1942 than in 1941, it improved its financial position in marked degree—presumably as a

result of the government having underwritten production to the extent of "standard profits" or 15 cents a ton—whichever was the smaller item.

I understand these subsidies are paid, and a new subsidy is being sought from the emergency war production board, with the end in view of increasing production. According to this statement, if these figures are correct, in 1942 while there was a substantial increase in the subsidy paid to that company it mined 67,000 fewer tons of coal than had been produced in the previous year. The statement goes on to say that after depreciation and depletion, from zero to $1,250,000, and after paying what must have been normal increased taxes—because in 1941 with a net loss there could have been no tax paid worth mentioning—the company showed a net profit of $469,618 as against a 1941 loss of $566,125. I am leaving out the tax question. The improvement in the company's position was $2,285,000.

I am now interested in finding out how much of that $3,000,000 was subvention, and how much of it was paid by way of subsidies. Second, I would ask the minister to comment on the observation that the government is underwriting standard profits for that company to the extent of fifteen cents a ton. If the purpose for which these subventions and subsidies are paid is to increase production, rather than to put figures on the right side of the balance sheet of the coal company to the extent shown in this article—an improvement in their own financial position, with a loss in production of 67,000 tons—it would be well for the government now, in the light of the application for new subsidies, to make an examination of the question of subventions with the end in view of guaranteeing that that money will be spent this time in a way which will increase production.

The men who actually produce the coal will have to be taken into consideration. A great deal could be said about this matter, but I want the minister to explain it fully. Do auditors from the finance department check the financial statements of the coal company, or do they accept the statement of the company's auditor? Their balance sheet from time to time shows that they have an income of a million and a half or two millions a year through subventions. Originally the subvention was intended to assist them to pay wages. They charge their wage bill 100 per cent to the cost of production, and I have never seen it shown where they received anything to assist in paying wages. When these subventions are paid there should be more examination into how they are handled. They should not be given to someone who can treat them as income and be able to write off a lot of depreciation and carry on other manipulation of accounts. There should be a full examination of the position of those who are producing coal in order that we may have some benefit from the money being spent this year in this way.

Mr. HOWE: I know of no arrangement between the dominion government and the Dominion Coal company by which the government guarantees standard profits or a subvention of fifteen cents, whichever is the larger. I have been connected with the coal business for only a matter of two or three months. There may be such a subsidy outstanding, but I doubt if there is. The subsidy to which I referred is based on one thing, namely, the increased cost of water transportation. Limestone must be transported from Wabana, and there is an increased cost in moving Brazilian ore from Brazil to Dosco. There is also an increased cost in the movement up the St. Lawrence. These are assessed against the costs of the base period, and the government pays the difference. I can assure my hon. friend that if it did not, there would be no steel produced in the Sydney area at the moment. It is necessary to do this in order to keep the industry alive. This happens to be the one steel industry where the war has made a real impact on transportation costs. We are making up the difference and thereby keeping the industry in production.

Mr. JOHNSTON (Bow River): Is the government storing sugar in Calgary?

Mr. HOWE: The Department of Munitions and Supply does not deal in sugar. That question would have to be asked of the Department of Finance, which have the wartime prices and trade board under their jurisdiction.

Mr. JOHNSTON (Bow River): Would the minister secure space from the Royal Canadian Air Force to provide storage for sugar?

Mr. HOWE: We have nothing to do with sugar.

Mr. JOHNSTON (Bow River): You do not even supply storage for it?

Mr. CHURCH: The tonnage being moved on our railroads in this war is ten times what it was in the last war. In the last war Mr. McAdoo took over the railroads of the United States and administered them for the remainder of the war. What is this government going to do? This government has been spending not millions but billions on the transportation systems of this country. We have appointed

a railway commission to run them in peace and war. Look at the Railway Act which provides for a board of transport commissioners to act for the people of this country. This board has fallen down.

In the United States during the last war the government of the day under Woodrow Wilson took over and administered the railroads on account of the congested condition of passenger and freight traffic. What is the policy of this government regarding the congestion on our railroads, all these boxcars we see along the right of way? We are not getting a total effort. The government is taxing the people of this country five billion dollars, and 30 per cent of it is not being used for war at all. All this storage that is taking place on the railway systems is being wasted. Some of the equipment is obsolete three months after it is furnished. The two transportation systems have fallen down on land, sea and in the air. Who is the minister responsible for it? The country wants to know, because the people are being taxed.

I think we should have some considered statement, not only from the Minister of Munitions and Supply but from other ministers. He is not to blame for this. We should hear from the Minister of Transport (Mr. Michaud), the Minister of Finance (Mr. Ilsley) and other ministers. In view of what the taxpayers are paying for this war, there should be some statement made. If the railway systems have fallen down and the enemy is at our gate, it is the duty of the government to take over the railroads for the benefit of the people and in order to have a total war effort. There should be no more of these boxcars all along the right of way. Look at the way in which the soldiers are treated. They cannot get accommodation on the trains, and then we have the fifty-mile bus rule. The people are sick and tired of it. The House of Commons might as well not meet at all if we have no control over the transportation system of this country.

Mr. MICHAUD: It would not be fair to allow the statement of the hon. member for Broadview to go unchallenged. He knows, as does everyone, that since the beginning of the war the two great transportation systems of the country have not fallen down. On the contrary, they have met the needs of the country most magnificently in spite of the difficulty of replacing rolling stock and getting sufficient labour. Transportation on land within the country is under the control of the transport commissioners to the extent to which the law gives them power to control. Then to take care of essential war services we have another control.

Mr. GRAYDON: Why do you need the transit control and the board of transport commissioners?

Mr. MICHAUD: The board of transport commissioners have duties and powers assigned to them under the Railway Act.

Mr. GRAYDON: Why could these additional duties not have been assigned to the board of transport commissioners?

Mr. MICHAUD: It would have meant adding personnel to the board. We decided to set up a special structure to take care of the essential war needs. This system is working out quite satisfactorily. The accumulation of war materials along the tracks referred to by the hon. member is not owing to lack of facilities to transport them to destination; it is because this is the most convenient place to store the goods until the consignees make requisition and ask that they be sent to the seaboard.

The railways have never fallen down in the transport of war material. They have provided the people who have purchased and paid for that material with storage along the lines, and whenever there is a requisition for a shipment the railways move the material to destination. There has been no hold-up, no delay whatever since the beginning of the war. The material along the lines is well taken care of. The owners are helping in the checking and protecting of the material, and it is done at their request and to meet the conditions which we have to face. As has already been said, Canada has been asked to accumulate war material, for obvious reasons, and the places where it is stored have been found by those who were directly interested to be the most convenient places for the purpose. Nobody is complaining about it—neither the owners of the goods, the manufacturers, nor those who are charged with the responsibility of transporting them. So that it is not fair to give the people of this country the impression that the transportation system of Canada has failed in its task during this war.

Mr. CHURCH: I do not wish to be critical of the present Minister of Transport, an hon. gentleman who I know is trying to do his duty. But I have seen evidences of the money which the Canadian National is spending on the United States portion of its system, and I know something about the comparative luxuriousness of the trains belonging to this road

upon which American soldiers are travelling in the United States. By contrast, last Friday I saw some of the Noah's Arks which were moving in and out of Camp Borden. Our great ally on the other side of the border would not stand for the kind of cattle trains—I call them that because that is what they are, just convertible cars which were formerly used for the transportation of various kinds of freight—which apparently are supposed to be good enough for our men. I have known the minister for many years; he is a kind-hearted man, and I hold him in respect; but I want to point out that ours is a citizens' army, composed of Canadians born in Canada, of many nationalities, and it is the view of a good many hon. members on both side of this chamber that these men are not being properly treated. During the war we are not interested in politics; our duty is to those who serve in the forces. I have talked to many men and have seen the kind of accommodation which the railways provide for them. The cars I saw last Friday going out of Camp Borden were not fit for human occupancy. I demand, in all courtesy, that we realize what our citizens' army is putting up with in return for a daily allowance of $1.30 plus fifty cents. After this war there will be a show-down with the two railway systems of this country. If they do not do their duty the government should take over the systems and administer them for the benefit of the people. We have spent a fortune on them and we are not getting adequate service. Look at the transportation of members of parliament out of this city and back. Look at the scenes at the Union station at Ottawa every night. Last evening when the empire parliamentary delegation arrived, one train was going out and one coming in, and if a car had jumped the track many people would have been killed. We have no explanation of such things. What is the railway commission doing? Are we to sit here as a lot of dummies and yes-men and nodders and approve the way in which the men in our armed forces are treated by the railways? I say, no; it is our duty to protest.

Mr. MICHAUD: Another criticism which has been made does not seem to me to be fair. Facilities for passenger traffic, as we all know, have been taxed to the limit ever since the war began. As regards transportation of the army, none of our soldiers are transported on United States lines; they all travel on Canadian lines, either Canadian Pacific or Canadian National. We all know that our rolling stock is used to capacity and that we cannot manufacture and get out of the shops and factories the renewals and replacements of rolling stock as fast as the two systems would like to have them. There are priorities on locomotives, then on freight cars, and then on railway passenger cars. We have been unable to secure deliveries of orders placed in 1941. Our 1942 programme of over $25 millions for renewals of cars and locomotives has not yet been touched. Neither in the United States nor in Canada can we find factories capable of delivering the rolling stock as fast as we should like to have it. For that reason we have to be satisfied with what is available. I admit that it is necessary to put up with some inconveniences, but conditions are such that we have to serve first the more pressing needs, and then wait until there is a de-congestion of the most needed requirements to turn our shops to the manufacturing of locomotives and passenger cars. Until that stage is reached, it will be impossible to find any better solution than the one we now have to be content with.

Mr. CHURCH: I suggest that the head offices of the National system be transferred to Toronto as Ontario is its best customer.

The CHAIRMAN: Order.

Mr. CHURCH: They make all their money in the province of Ontario, anyway. Then we might get some results. Let the minister get rid of some of the deadwood in the Canadian National and engage some soldiers who know something about railways; it would be far better for the country.

Item agreed to.

7. Loans to commodity companies, $15,000,000.

Mr. HANSELL: Under this item I should like to pursue a little further the discussion which arose a moment or so ago in respect of subsidies to the coal mining industry. The minister has said that he has not a great deal of experience with regard to coal; that is, not longer than during the past two or three months. I might suggest to him that the subventions which are paid on coal—and perhaps the same would apply to steel to which he referred—are not paid to the coal companies, but specifically for the transportation of coal, and these subventions usually find their way into the hands of transportation companies such as the railroads.

I do not know what is involved in the item "loans to commodity companies." There is a wide range of subjects embodied in each of these. We pass $100,000,000 here in a few minutes, and that must cover an extensive field. Surely we do not spend $100,000,000 on

pins; we must spend it on more than one commodity. However, with regard to loans to commodity companies, the government have been spending, for commodity companies, a certain amount on capital equipment which has expanded the companies. The government claim that they still own this capital equipment and that at the end of the war it will be returned to them, provided, of course, it is not worn out. It means anyway that the company itself has been expanded in its productive capacity, and expanded by the money which has been provided through war loans and so on. I ask the minister whether any money at all has been paid to coal mining companies for capital equipment in order to facilitate the production of more coal. Let me elucidate a little further in regard to the money that has been spent in connection with subventions to coal companies.

Two terms have been used in the last little while—subventions and subsidies. I do not know whether they are interchangeable. I do not think they are, because I believe that, in the truest sense of the word, subventions as applied to coal companies are payments for the movement of coal, while, in the true sense, subsidies may be given to coal mining companies. I doubt whether any subsidies have been given to coal mining companies. Perhaps they have; I may not have the whole picture or be well enough informed on that. I know, however, that year in and year out this house votes subventions for the movement of coal, and because that vote is not statutory, because it comes up every year, it could be dropped any year, and that means, of course, that coal mining companies will not expand their capital equipment. They will not say, "We will open up another mine here or sink another shaft there; there is good coal here and we will expand our capital equipment to develop it." The reason why they do not take that attitude is that after putting a good bit of money into such expansion of capital equipment, they may find the next year that the subsidy is reduced. They take a chance if they do that, and the result is that they will not do it.

A few weeks ago the Prime Minister announced a national emergency on account of a shortage of fuel. If there is an emergency by reason of a shortage of fuel, then in all probability we are in danger of our war production slowing up. There is now a serious situation of a huge coal strike in the United States. If our coal production should be reduced materially, it would not take very much to stop, perhaps almost overnight, the largest part of our production of munitions.

I do not know whether the minister is alarmed at that situation, but I should like to know from him whether his department have done anything or contemplates doing anything toward the expansion of the coal mining industry of Canada in order to produce more Canadian coal for the Canadian production of munitions. The Minister of Labour is not at the moment in his seat to come to the minister's aid to-night. Someone will telephone him and he will come here in a couple of minutes. However, I should like to know whether the Minister of Munitions is entirely dependent upon the genius, if there is such a thing, in the labour department to see that the coal mining industry is not slowed up; for if it is, it will create a serious situation in Canada in the production of munitions.

Would the minister care to make a statement along that line? There are two points I am putting to him. First, is he dependent upon the Minister of Labour to see that the coal mining industry is kept continuously up to the fullest productive capacity, and, second, has he subsidized, or does he contemplate subsidizing that industry for the purpose of expanding coal production?

Mr. HOWE: I should explain that this item covers loans to commodity companies. As hon. members know, the government has from time to time accumulated large stocks of commodities, such as rubber, silk, wool, kapok and certain strategic metals. These are held by government-owned companies of the type called commodity companies, and the item in question covers the funds required by these companies to maintain stocks of strategic materials. My hon. friend was discussing the item we have just passed, namely, subsidies to coal companies. There is a difference between a subsidy and a subvention, as the terms are being used to-day. As the hon. member has said, a subvention is a sum of money paid to the transportation company to reduce the cost of transportation of coal, and therefore to enlarge the area which can be served from a coal-producing unit. Subsidies have been given for the purpose of increasing production. If it can be shown that by expending a certain sum of money more coal can be obtained from an operation, if equipment is required in a strip operation to step up production therefrom, these funds are advanced on terms that seem to be reasonable after a study of the individual case.

Under present conditions I would not hesitate to make any expenditure that promised any considerable increase in the production of coal. My hon. friend asks whether I am alarmed about the situation. I am alarmed about it, and I have said so in the house many times. Canada is a deficit country as

far as coal is concerned, and the deficit has reached extreme proportions. Naturally, with perhaps fifty per cent or more of our entire consumption of coal dependent upon sources over which we have no control, we are in an unpleasant position with trouble brewing in the coal fields on which we depend. He asks whether I am dependent on the Minister of Labour for stepping up coal production in Canadian mines. I do all I can to step up production within the jurisdiction of my portfolio, and the Minister of Labour does all he can in the administration of his portfolio to the same end. Naturally we work in close cooperation. I know of no operation which can be stepped up and which is not being stepped up by reason of lack of funds. If my hon. friend knows of such an operation, I would be very glad to be informed. One of our experts would go there immediately, and I can assure my hon. friend that if we were convinced that the output could be stepped up, the necessary funds would be forthcoming.

Mr. HANSELL: What would be the procedure? The minister has made quite a liberal statement which will go out to the country. If a coal mining company says: "If we can get another fifty men we will put in another shaft, but we are not going to do it out of our own funds," what procedure would it have to adopt to get assistance? The coal mining industry of Canada over a period of years has been running pretty close to the edge, and a few cents reduction in the price of coal might mean putting them out of business. Would the coal mining company have to get in touch with the minister, or what?

Mr. HOWE: The procedure would be for the secretary of the company to write to the secretary of the emergency coal production board, with headquarters in Ottawa, and state the position. The board would immediately delegate one of its experts to go and examine the situation on the ground, and if the expert reported favourably the board would take action immediately.

Mr. ADAMSON: May I ask what has happened to Allied Brass? Is it still under the same management?

Mr. HOWE: Yes, it is turning out brass to capacity and has been, I think, since the present management took charge.

Mr. GILLIS: When the hon. member for Macleod was speaking a moment ago, he made a statement which I think the minister overlooked, and which may confuse those reading *Hansard* in the future. He stated that no subvention is ever paid directly to a coal company. That statement is not correct. At the present time the water-borne coal coming up the St. Lawrence is subsidized to the extent of one dollar a ton. The Dominion Coal company own the boats that bring that coal, the shipping company being a subsidiary of the coal company. In that way the subvention is paid directly to the coal company. So that subventions do go direct to the coal companies in some cases.

Mr. MacNICOL: The minister said yesterday that I might bring up the question of magnesium metal on this item.

Mr. HOWE: Yes.

Mr. MacNICOL: The minister a year ago gave us a glowing account of what he hoped at that time to achieve from the plant that was proposed to be erected. He stated that the market price on May 20, 1942, of magnesium metal was between 33 and 34 cents a pound. Then he aded, "We expect to get it for about half that, but I would not care to be too specific about it." Well, this new plant was put in at a cost of $4,169,500, of which $820,000 was working capital, according to a return which was brought down some days ago, but instead of getting magnesium metal from this plant at half the price of 33 or 34 cents a pound, or 16 to 17 cents a pound, we are paying, according to the return that was brought down on May 24 of this year, 39·7 cents a pound. Would the minister explain why the price of magnesium metal is so high?

I remember when I brought up the subject of magnesium metal in 1941—this was before it came into the minister's department—I asked the Minister of Mines and Resources a question arising out of an article which had appeared in the paper about a magnesium plant. My question was about magnesium metal, but the Minister of Mines and Resources in his reply spoke of magnesium—two different things entirely. Magnesium is an explosive; magnesium metal is a metal. The Minister of Mines and Resources said at that time that a plant was being erected up the Gatineau to produce magnesium. Later on the plant to produce magnesium metal, the plant likely referred to in the article, was erected at Haley. At that time I was interested in the question of magnesium metal, because I knew a man in Hamilton—I have known him for quite a few years—a man by the name of Ralph Keemle, a regular genius who had developed a process for the production of

magnesium metal from dolomite through the use of electricity, and I was informed that he could produce magnesium metal at from 8 to 10 cents a pound, which is from one-fifth to one-quarter of the price we are now paying. I think the minister said that Mr. Keemle had been consulted, or had been invited to Ottawa, but if he was invited to Ottawa he got rather short shift, because the government, as everyone knows, took up the process that had been developed by our own national research, and brought about the formation of a crown company. I never did think that Mr. Keemle got a square deal or was treated fairly. I always felt that anyone who was capable of developing a process that worked, as he did, should be given a chance. But that is all past now. What I am anxious to know now is why the price of magnesium metal is so high? Why is it so much higher than the minister informed the house it would be when this new plant got into operation? I should also like to ask him how many pounds of magnesium metal are used in the average aeroplane? The return that was brought down on May 24 of this year showed that we have produced up to the end of April, 1943, 1,186 tons of magnesium metal, and if the amount which was reported on a former occasion as the approximate amount which was used per plane, or 2000 pounds, that would mean that we have produced up to the end of April this year enough for more than 500 planes.

What in the world are we to do with this plant after the war? Magnesium metal is a light metal, two-thirds the weight of aluminum, but it cannot take the place of aluminum in every respect. Aluminum has to be used as an alloy to prevent an explosion of magnesium metal, and this latter metal is used as an alloy in aluminum to give rigidity. It is quite an investment we have made in this plant. I have no fault to find with the plant having been built. On the contrary I am inclined to congratulate the minister for having the plant put up to produce magnesium metal. But why is the metal so costly, so much higher than the minister thought would be the price when the plant was in operation?

Mr. HOWE: My hon. friend will appreciate that the government embarked on a new process for the manufacture of magnesium metal. The process was moved from a small pilot plant into large scale production. Certain tests were made as a result of studies of the results from the pilot plant, from which certain assumptions were made as to the cost of large-scale operation. I am optimistic enough to think that those predictions were not so far out of line as the costs during the month of April, which my hon. friend has given, would indicate. There has been some difficulty in the metallurgy of the retorts; there has been a great deal of distortion and breaking there, which has been a source of considerable cost in the matter of supplies. The cost of quarrying, milling and reduction has not yet been brought down to a reasonable level. As my hon. friend knows, we have opened up a new quarry, and we have not really got the quarrying costs shaken down. The other large item is the cost of ferro-silicate, which is mixed with the powdered rock to make briquettes. The cost of that operation is considerably higher than had beeen anticipated, owing to the war situation. I would point out, however, that the capital expenditure for this plant has been very low as compared to alternative processes. We investigated the cost of a chemical process for producing ten tons of magnesium a day, and the estimated cost given us was something over $9,000,000. This plant has been built for a little over $3,000,000; it is producing to capacity, and I am optimistic enough to hope that the price will be brought down to a competitive level with the chemical process.

Then my hon. friend asked about the future of magnesium after the war. At the present time this plant is supplying all Canada's needs for magnesium metal, with a fair surplus left over for export. Magnesium is a metal that is much stronger than aluminum pound for pound; it has that advantage over aluminum. The disadvantage is that magnesium is subject to corrosion, whereas aluminum is not. The two are competitive in the light metal field for certain uses, particularly in the building of aeroplanes and aeroplane engines; in many uses magnesium is essential and has great advantages over aluminum. Undoubtedly there will be a market, and a considerable market, for magnesium metal after the war. Whether Canada can have a share of that market will depend upon whether our costs can be brought down so that they will be competitive with other types of production. In any event, Canada has an assured supply of magnesium for the war and for the post-war period.

Mr. FRASER (Peterborough West): Has Canada tried to obtain magnesium from salt water, as they are doing in Britain?

Mr. HOWE: The extraction of magnesium from salt water is a well known processs; it is used in the United States and in Britain. It is the old chemical process. Canada went to a thermal process, which we believe to be the

process of the future and which involves a very much smaller capital expenditure. But, as I say, I have not been able to bring the cost of production down to the cost which I was once optimistic enough to give the house.

Mr. GREEN: Last year serious shortages developed in some of the base metals such as zinc, lead, copper and several others. As a result of that shortage, the government entered upon a policy of stimulating the production of certain metals through the agency of a crown company known as Wartime Metals corporation. Apparently that corporation has taken over the operation of certain mines; a return brought down in the house on March 24 listed twelve that had been so taken over. What progress has been made in stimulating the production of base metals, and what is the policy of the government in regard to supplying miners for base metal mines? In British Columbia, mines operated by private companies are under a handicap as compared with those which have been taken over by Wartime Metals corporation. I understand that priority for labour is given to the mines operated by the crown company; yet in at least some cases production could be increased more rapidly by sending ten men, let us say, to a mine operated by a private company than by sending the same ten men to a mine operated by the crown company. I think the government would be well advised to revise its present policy and at least give a private company with an operating mine equal priority in labour with the mine operated by the crown.

Then I should like to know from the minister whether any loans have been made to private companies; whether consideration has been given to extending the policy by loaning money to operating companies. Again it might be that if this were done it would result in greater production, and getting that production more quickly, than by putting the same amount of money into a mine operated by the crown. Would the minister explain what the policy is with regard to these mines?

Mr. HOWE: My hon. friend will understand that Canada has not been short of the metals he mentions. Canada is the largest exporter of metals in the world, but there has been a world shortage of copper, lead, nickel and zinc, and Canada has succeeded in helping to meet those shortages to a considerable extent. Our production of refined metals has increased as follows:

	1939 Tons	1942 Tons
Refined copper.....	232,000	270,600
Refined lead.....	191,000	243,800
Refined nickel.....	64,500	93,300
Refined zinc.....	175,600	216,000

[Mr. Howe.]

This indicates that the efforts of the government to increase the production of metals of which there is a world shortage for war purposes have met with a good deal of success. Wartime Metals corporation has been the instrument of the government in certain operations, more particularly in the field of rare metals such as chrome, tungsten, molybdenum and metals of that kind, of which Canada has not sufficient. The company has been quite successful. It has brought in a chrome mine in the eastern townships; it is operating what we believe to be the richest tungsten mine on the continent, which we hope will make Canada self-contained in regard to tungsten.

Mr. GREEN Which mine is that?

Mr. HOWE: It is out in British Columbia.

Mr. GREEN: The Emerald mine?

Mr. HOWE: Yes, I believe so. It is actually carrying on certain developments for the production of strategic minerals. These are developments which private industry has not been willing to undertake, owing to the fact that the use of these strategic minerals in peace time is so small that no peace-time future for the mines could be assured, sufficient to permit private enterprise to finance.

The hon. member has asked if the government has financed the development of mines. The Canadian government has not done so. I am not sure I can say it has never done so, but it has not been the practice because the Canadian government has not been short of standard base metals. But it has arranged with the Metals Reserve Corporation of the United States to finance certain properties, the output of which would be helpful to the metals situation in the United States.

Mr. GREEN: That is all under the direction of the metals controller in Canada.

Mr. HOWE: That is correct. We have encouraged any production that would be helpful to the war effort, and we have arranged for financing by the Metals Reserve corporation of properties which promised to be immediately helpful to the war effort. I know of no proposal that had real merit and which promised quick results which has not had help extended to it, through the agency of the metals controller or by Wartime Metals corporation.

Mr. GREEN: Does the government operate these mines through Wartime Metals Corporation, or in some cases is money loaned to a private company, and operations carried on by that private company?

Mr. HOWE: Both procedures are followed. Wartime Metals Corporation is actually operating certain mines—perhaps three or four or five. In addition, the government either as principal or as agent is lending money to certain mines on a self-liquidating basis to encourage the production of minerals.

Mr. GREEN: In the latter type of cases the private company is in charge of the operation.

Mr. HOWE: Yes.

Mr. GREEN: The minister said nothing about priority with respect to labour, one of the most serious features in the whole situation. I understand a private company does not receive the same priority for miners as does a mine operated by the crown. Is that correct?

Mr. HOWE: There is no difference in priorities, whether the mine is owned by the government or by private interests. My hon. friend will have ample opportunity to go into that when the estimates of the Department of Labour are before the committee, as soon as I have finished with mine.

Mr. GREEN: Of course, mind you, it affects the minister's department, because it affects the amount of metals produced.

Item agreed to.

On item 8—Departmental administration, $9,300,000.

Mr. SHAW: I should like to refer to the question of the expropriation of property carried out by the department, or by an administrative body within the department. Has each government department machinery to handle the expropriation of land or other property, or is there one body within the government which handles that particular aspect of government enterprise?

Mr. HOWE: The Department of Munitions and Supply has retained the land department of the Canadian National Railways to handle the expropriation and acquisition of property required by the department, either for airports or for industrial purposes. The other departments either have their own officials, or use some other agency of government.

Mr. SHAW: I was particularly interested in learning whether any uniformity of policy as between the departments exists? Ordinarily when an expropriation takes place the individual concerned is compensated to a higher degree than would normally obtain if the property were sold on the open market. In most instances property is taken which the individual may not be desirous of selling. I have in mind a case where an individual purchased a parcel of land for $150, and had paid $50 taxes. He considers the property worth every cent put into it, but the departmental officials assert that $10 is a fair price for it, in their expropriation proceedings.

In certain departments we have found no such condition. In fact one sometimes thinks they are generous to the extreme. In a matter of this kind we ought to have facilities for preventing the development of any unfair situation. What final say does the individual have, if he wishes to protest against any expropriation? Must he abide by the decision of the department?

Mr. HOWE: No, not at all. Once expropriation is taken, the matter goes before the Exchequer Court of Canada. The owner need not accept any offer made by the department, and the department is not bound to make an offer to the owner. Expropriation involves adjudication by the exchequer court. To save litigation, an attempt is usually made to settle with the owner without going to court. In small purchases an expert for the department makes up his mind as to what he believes to be a fair value for the land, and makes an offer to the owner. If the owner, the officer and the department agree, the matter can be settled without going to court. But no property owner need necessarily accept any offer made by the department; he can let the exchequer court make the decision.

Mr. CASTLEDEN: I understood the minister's department took over some property in the town of Renfrew, in connection with the development of magnesium. I believe it was the property of the Ottawa Valley Packing company.

Mr. HOWE: That is another transaction; it has nothing to do with magnesium.

Mr. CASTLEDEN: It was taken over by the minister's department?

Mr. HOWE: Yes.

Mr. CASTLEDEN: What was paid for the property, and to whom was it paid?

Mr. HOWE: I doubt if settlement has been made. The property was expropriated. I think no settlement has been reached, and in due course a decision will be handed down by the exchequer court.

Mr. CASTLEDEN: Is the matter under litigation?

Mr. HOWE: Yes, it is under expropriation.

Mr. CASTLEDEN: It has been taken over?

Mr. HOWE: Yes.

Mr. FAIR: Since there are now several million bushels of wheat on farms in western Canada, and since it appears that within a couple of months another crop will be coming on, I am wondering whether sufficient lumber can be provided so that storage can be built on the farms to provide cover for the crops which will be taken off.

Mr. HOWE: I put on *Hansard* last night the amount of lumber available for civilian supplies. I assure the hon. member we will make all the lumber available for civilian supplies that the high priority requirements of the war will permit.

Mr. GRAYDON: When we were debating the munitions and supply bill I raised the matter of better representation of labour in the Department of Munitions and Supply. I should like the minister to comment upon the possibilities of that. The Department of Munitions and Supply is a specialized department which covers a multitude of matters, but it does seem to me that there is one serious lack, namely, representation of labour in the so-called munitions and supply empire. What is the reason for this? What steps has the minister in mind to cure the situation?

Mr. HOWE: As my hon. friend knows, the predecessor of the Department of Munitions and Supply was the war supply board. This was made up of four men, one of whom was a representative of labour in the person of Mr. Howard Chase, the highest ranking member of the railway brotherhoods in Canada, a man of exceptional ability. When the department was formed Mr. Chase was made director-general of labour relations. I believe he performed excellent service for labour and for the department. His work was outstanding, but inside of twelve months the one desire of organized labour in Canada was that Mr. Chase should be severed from the Department of Munitions and Supply. The only time I have known the Canadian congress of labour and the trades labour council to be unanimous was when they pointed out quite vigorously that it was the duty of the Department of Labour to attend to all labour matters and that the Department of Munitions and Supply should not have a director-general of labour relations. The position was abolished at about the time the national war labour board was formed, and this board took over the functions which were being performed by Mr. Chase. We certainly had the approval of organized labour generally in that step.

[Mr. Castleden.]

We have appointed representatives of labour to operating boards. There are very few operating boards, such as Wartime Housing, Toronto Shipbuilding and so on that do not have representatives of labour. Almost any operating board that my hon. friend can name I am sure will have a representative of labour. These men have been most helpful to the different projects. I would certainly add a labour man to any operating board that might be appointed in the future. If there are any difficulties in my department through not having labour representation, I am very much surprised to hear it.

Mr. ROSS (St. Paul's): The minister has been told about the housing situation in Toronto. I notice that under the new scheme of converting larger houses into apartments about $250,000 will be expended in Toronto to convert fifty houses. When they asked for applications for conversion I understand they got over a thousand. The conversion of fifty houses in Toronto will not do very much good. A great deal has been done to provide war-time housing in other cities, but no housing of this type has been provided in Toronto.

The minister states that workers can find places to go in Toronto, that there is no lack of accommodation. The fact is that people are being crowded. As I said before, families of four are crowding into one or two rooms in the slum districts, because that is the only place they can go. Unless some relief is given, I do not know what will happen. Some of these districts will be converted into slums. The minister said that there would be an exodus of people from Toronto as time went on, because not so much work would be done in the city. He must remember that there are many industries in the small communities around Toronto, and there is an exodus of workers out of the city every morning and back again at night. In some cases the beds are never allowed to get cold; one man gets up to go to work and another man goes to bed. I wish the minister would give some consideration to Toronto in this connection.

Is the administration of this conversion plan to be under Wartime Housing or under National Housing? I have looked at the different figures given in *Hansard*, but I find one set of figures in one return and another set in another return. I do not understand just what they are. I notice that in connection with the administration of Wartime Housing, rentals of $2,308.59 a month are being paid. I should like to know why fifty-five different premises are necessary. In addition, there is an archi-

tectural staff, and outside architects are employed as well. There is also a manager of public relations who is also the editor of *Home Life* magazine who receives a salary of $260 a month.

Mr. MacNICOL: What for?

Mr. ROSS (St. Paul's) He is the manager of public relations in Wartime Housing.

Mr. HOWE: The man to whom my hon. friend has just referred is associated with Wartime Housing Limited. His work is to organize community services, and I am told that he is doing excellent work.

Mr. ROSS (St. Paul's): What is the necessity for paying these rentals?

Mr. CHEVRIER: What rentals?

Mr. ROSS (St. Paul's): The rental of fifty-five premises throughout Canada for Wartime Housing Limited. For instance in one place in Toronto a total of 10,496 square feet are rented.

Mr. HOWE: Naturally Wartime Housing must have office space in which to function. My hon. friend has mentioned the space occupied by the head office in Toronto where a considerable staff is maintained to handle the business of Wartime Housing. Wherever there is a considerable concentration of houses, an administrative office is necessary for the collection of rents and to carry on the duties incidental to operating a number of houses.

Mr. GILLIS: The minister made a statement a moment ago to the effect that on all operating boards in his department he has labour representation.

Mr. HOWE: I did not say, "all". I said, on operating boards, certain operating boards.

Mr. GILLIS: The minister mentioned the Toronto Shipbuilding company.

Mr. HOWE: Yes.

Mr. GILLIS: Would the minister put on record who his labour representative is on the Toronto Shipbuilding company board? The minister might also tell the committee how the representatives are appointed, who recommends them, and how the selection is made.

Mr. HOWE: The representative on the Toronto Shipbuilding company is Mr. William Jenoves. The men are appointed after consultation with the Minister of Labour. I believe the practice is to distribute the appointments among various labour organizations.

Mr. ROSS (St. Paul's): Are the rents collected at these various points?

The CHAIRMAN: On the question of the hon. member for St. Paul's, he will realize that I have allowed him to ask several questions, with which I believe the committee was satisfied, that came under item 3. I do not think the committee would be in the mood to reopen a discussion of which the committee is fully seized. I ask the hon. member to be brief.

Mr. ROSS (St. Paul's): This is under a question of administration, and surely is appropriate on this item.

Mr. CHEVRIER: That was discussed last evening.

Mr. ROSS (St. Paul's): Are all these rents collected at various points?

Mr. HOWE: Yes, they are all collected at various points.

Mr. FAIR: I would draw to the attention of the minister that binder twine is of great importance to our farmers, who use it to take care of their crops. On February 15 last an order was passed forbidding the manufacture of 550 or 600 foot twine after that date. These are the kinds which are most in use, the 500 foot variety is of less tensile strength, and farmers who use it are likely to run into a whole lot of trouble. It may also disagreeably affect the farm labour situation, because one of the greatest vexations in harvest time comes from poor twine. This is a condition which should be remedied, and if there is any possible way of doing so, we should get back to our old supply of 550 and 600 foot twine.

Mr. HOWE: As my hon. friend knows, the supply of twine has been seriously interfered with by the war. I will bring the remarks of my hon. friend to the attention of those responsible for our supply.

Item agreed to.

9. Air services:	
To provide for special radio services, weather observation and teletype services—	
Radio	$1,761,325
Meteorological	1,366,000
17 additional radio range stations (maintenance): new division office at Vancouver; additional staff at headquarters	374,460
Subsidization of radio-operator students	100,000

Mr. GRAYDON: These air services are bulked under four different totals. Would the minister break down these items, which are rather large, in order that we may have the record on *Hansard?*

Mr. HOWE: These items are the expenditures made by the air services for carrying on the war. They are apart from the ordinary estimates of the department which are contained in the civilian estimates. The department builds radio services for the armed forces in the northwest and along all the operational routes of the air services, and in many cases the department operates the services. The department has greatly expanded its weather services in order to provide accurate weather information for the armed forces. This vote covers functions performed which are apart from the ordinary operations covered by civilian estimates. The break-down is: Radio service, which contains a revote of $377,500, $1,671,325; meteorological service, $1,366,000; civil aviation service, that is air traffic control, $680,000; operation and maintenance of municipal airports used by the armed services, $336,600; Moncton to Newfoundland airport, a revote of $181,500, $976,700; construction and improvements of Montreal airport, $500,000; a total of $5,620,625. For radio services, a supplementary estimate, to subsidize radio operator students. We have put in a school for radio operators.

Mr. GRAYDON: Where is that school?

Mr. HOWE: I am not sure of the details. It is a new plan put into operation some months ago when there was an acute shortage of radio operators.

Mr. REID: Are the students assisted financially?

Mr. HOWE: Yes; they are paid a small salary while they are going through the school. The subsidization of radio operator students, $100,000; maintenance of seventeen additional radio stations, a new division office at Vancouver, and additional staff at headquarters, $374,460; bringing the grand total to $6,095,085.

Mr. SHAW: I assume that these additional student operators carry on in a civilian capacity?

Mr. HOWE: Yes.

Mr. SHAW: Even though the service may be rendered on behalf of one of the three branches of the armed services. How are those students chosen?

Mr. HOWE: I could not say. I think we have advertised for operators. Many of them are girls; in fact, the number of girls studying for this branch of the service is probably three or four to one compared with men.

[Mr. Graydon.]

Mr. SHAW: Are they regarded as civil servants after they complete their course?

Mr. HOWE: No, they are purely war temporaries. There is no permanency about it. Anyone desiring to take the course can write the deputy minister of transport and be advised.

Mr. GILLIS: In connection with these particular radio and meteorological services, are they not carried on in conjunction with the armed forces? At Rockcliffe here, for example, the Department of Transport operate this service, and quite a percentage of the girls and young students who are not qualified for aircrew and so forth are routed into this work and trained.

Mr. HOWE: Yes; the civilian operators operate with the air force. There is no real pattern about it. I think practically all the meteorological service is handled by civilians of the Department of Transport. The control of airports, I would say, was 75 per cent civilian. If an airport is handling largely operational work by the armed services, it may be that the traffic officer is a man in uniform. But where civilian traffic and military use are combined, ordinarily the control of the airport is civilian, under an officer of the Department of Transport. It is by arrangement between the civilian operators and the armed forces, and there has been no difference of opinion to date that has not been ironed out quickly. It is a question of who can do the work more efficiently. The purpose is to have the work done by civilians, provided it can be carried out efficiently in order that trained men may be used for other duties.

Mr. GILLIS: I have heard a complaint to the effect that some of the boys in the armed service were taken in and were actually performing this work in uniform at soldier's pay, under transport, and their objection was that if they were doing the work they should be paid the rate of wages that would be paid to civil servants doing similar work.

Mr. HOWE: I think that would be a temporary situation. Perhaps it was impossible at the time to get civilians in sufficient numbers to carry on the work, and I am sure that would never be a permanent condition, where there would be men in uniform working alongside civilians, one getting civilian pay and the other army pay.

Mr. MacNICOL: Will the minister explain the significance of, and state what is included in, the item of $100,000 for the subsidizing of radio-operator students.

Mr. HOWE: I have just explained that. Perhaps the hon. member was out of the house at the time. There was an acute shortage of trained radio operators, and courses were opened to train operators. The students are subsidized while taking the course. They are paid a small salary while taking the course, and the $100,000 is to make funds available so that this may be possible.

Mr. MacNICOL: I am sorry the minister had to repeat that, but I did not hear the explanation.

Mr. ROSS (St. Paul's): With regard to radio, and the item "meteorological," is that for equipment as well as for personal services?

Mr. HOWE: No. This is an operating vote for services. It does not include capital.

Item agreed to.

10. Civil aviation:	
Extra airport traffic control systems	$680,000
Operation and maintenance of municipal (terminal) airports	336,600
Additional facilities—Moncton to Newfoundland airline	976,700
Improvements to North Bay airport	.....
Operation and maintenance—Northwest air route	.....
Montreal airport improvements	500,000

Mr. REID: Can the minister explain the situation in regard to the airport at Sea Island? That airport was purchased many years ago by the city of Vancouver, and Trans-Canada came into being and later a plant was established on that property. I am interested to know the exact situation and whether Vancouver city still owns the property. Are we renting the property on which the operations are now being carried on?

Mr. HOWE: At the outbreak of the war the Sea island property was leased by the city to the government for a dollar a year. Since then, the government has maintained the property and used it, and, I may add, greatly improved it. Additional property has been added; runways have been made and improved, and of course a great many buildings have been put up there which will no doubt be returned to the city at the end of the war. My hon. friend asks about the property occupied by Boeings. My memory fails me at the moment in that regard. I know that an attempt was made to work out an amicable arrangement with the city by which the government could acquire the property, and expropriation proceedings were instituted. I believe a settlement was effected, and the area is being occupied by Boeings. Owing to the large expenditure involved in completing the Boeing plant and equipping it, it is absolutely necessary that the government should own it.

Mr. REID: Do I understand that all the property outside Boeings, leased by the city council for one dollar a year, will revert to the city after the war, buildings and all?

Mr. HOWE: Yes.

Mr. McKINNON (Kenora-Rainy River): There are a few remarks I wish to make with reference to civil aviation and also post-war civil aviation and its relationship to the development of northern Canada. First of all, I wish to congratulate the minister upon recently informing us of the opening up of the transatlantic airline service. I know he mentioned then that it was not for commercial purposes, but I do hope it is the beginning of a post-war civil aviation programme. In the meantime, however, it will greatly facilitate the carriage of mail for the overseas forces. During the last few years we have had very important construction development in northern Canada, undertaken largely by the United States forces for the purpose of supporting United States operations in the Aleutians and Alaska, or to assist in the ferrying of aircraft to Alaska. The project that has received the most notice is, of course, the Alaska highway, which has been constructed and is now in operation. However, there are many other projects of equal importance. For instance, there is the development of the oil fields in the Fort Norman area and the survey of a railroad from Prince George to Fairbanks.

I note by press reports of the last few days that the United States army has done a great deal of development work in the Fort Norman oil fields. I feel sure that it will be of great assistance to Canada, not only now but after the war when we open up this territory as we all hope and expect we shall. These developments have stirred the imagination of Canadians, and the question is being asked, why not develop these resources, and also, what is Canada prepared to do when the war is over?

At this point I should like to pay a tribute to one of the pioneers of civilian aviation, Don Martin of Montreal, whose untimely passing

from among us a few days ago removes one of those pioneers with great vision of aviation. He will be greatly missed by the old-line bush pilots and bush operating companies, for whom he has done so much in the help he gave them in building up bush routes in northern Canada.

We in Canada have entered into an agreement with the United States government whereby all immovable facilities constructed by the United States in Canada will revert to this country at the end of the war or within a specified time thereafter. If we are to carry on the development of our northern areas when the United States forces withdraw, a definite programme of post-war development should be planned now. The present flying operations in northern Canada have been essentially a war-time undertaking. However, this flying is really airline flying with modern heavy transport aircraft and with radio aids to navigation that are found on Trans-Canada air liners. It goes without saying that at the end of the war the vast majority of the war-time projects in northern Canada will be discontinued, and the necessity for the present transport operations in that area will cease. The continuance of post-war flying in northern areas with the exception of bush operations is dependent on active economic development there. Therefore, I ask, is Canada making adequate and proper preparations to develop our arctic regions? The economic development of Canada up to date has largely been confined to the southern part of our country. However, it is now being realized that the northern regions have tremendous resources which are capable of development.

That very important and profitable development of these resources is not only feasible but practicable has been amply demonstrated by the Russians, who for a good many years past have had an active programme of exploration and exploitation in Siberia. To-day, with the help of the present advances in aviation, Canada's north assumes ever-increasing importance. Trans-polar flying, which is already a practical undertaking, awaits only a little further advance in long-distance stratosphere flying to make it a commercial possibility. In view of these events, the Canadian arctic regions can no longer be regarded as a wilderness but must be looked upon as a vital thoroughfare linking North America by air with Asia and the continent of Europe.

There are many reasons, then, to support the belief that Canada's post-war expansion will be northward toward the arctic. This expansion has been made possible by war-time advances in aviation, but its permanent basis must rest on the economic development of the arctic regions. If this development is to be undertaken successfully and promptly as soon as the war is over, steps should be taken immediately to embark on a programme of investigation and exploration. Therefore I suggest that a strong interdepartmental committee of the government should be formed to explore all possible avenues of development. I understand that an international committee has already been formed to coordinate the economic development of northwestern Canada and Alaska; but we need more than that. We need a national committee to be responsible for the whole of northern Canada. Incidentally it might be observed that the United States government has already organized a very strong group to undertake similar investigations. This indicates that the United States is taking a great interest in the post-war international air routes which traverse northern Canada. We have many competent and experienced men available, men who pioneered northern Canada and the many bush flying routes working in cooperation with mining men, who through the use of aircraft developed our northern mining areas.

We also have to-day a great airline company, the C.P.A., who have taken over many of the bush-line companies and are operating a successful service in many parts of Canada.

Mr. CRUICKSHANK: What company is that?

Mr. McKINNON (Kenora-Rainy River): I do not know whether my hon. friend has ridden on many of their planes, but I assume he has ridden on some of their trains and I hope he enjoyed the ride.

We have available in Canada men who are well acquainted with the north, but the knowledge and ability of these men must be focused collectively on specific problems and, further, their efforts must be correlated for the purpose of definite action under the strongest possible government support.

A few of the problems to which such a committee, if it is set up, should give consideration, are the following:

1. The post-war development of Fort Norman oil fields and McMurray tar sands.

2. Active exploration for new oil fields.

3. The post-war disposition of the Alaska highway.

4. The development of post-war air routes to Europe by Hudson bay, Greenland and Iceland; and to Europe and Asia via the northwest staging route and the Mackenzie river route.

5. The investigation of trans-polar air routes to Europe and Asia, including the selection of suitable bases and plans for development.

6. Meteorological investigations, particularly as they relate to trans-polar flying.

7. Investigations of low-temperature flying, involving low temperature operation of engines and accessory equipment. The United States is already carrying out an extensive programme of research in this field.

8. Investigation of problems connected with the construction of airfields on permanently frozen soils.

9. The study of suitable types of buildings for arctic regions.

10. Extension of the navigation season out of Churchill by the coordinated use of aircraft and powerful ice-breakers.

In addition, Mr. Chairman, I know, and I think the committee knows, that there are many other problems of tremendous importance to the people of Canada so far as the north and the development of aviation are concerned, which I believe go hand in hand together. I hope the government will take action now to see to it that we in Canada have our place in the aviation picture of the universe when this struggle is over.

Mr. KNOWLES: I should like to say a few words on this item, with particular reference to the subsection which deals with the operation and maintenance of municipal airports. I refer particularly to Stevenson field at Winnipeg. This is a matter of definite interest not only to the people of the part of the country from which I come; it is one of those cases where a local interest is also a national interest. Previous speakers already have emphasized the importance of Canada's future in the air and the necessity of our realizing the steps that should be taken to assure our position in the post-war world. Winnipeg, as is well-known, lies in the centre of the country on an east and west line, and practically in the centre of the continent of North America; and we feel that it is important to Canada's future in the air that we have in Winnipeg an adequate airport. By "adequate" I mean an airport with facilities that make it possible to take care of the largest planes now flying, or that may fly in the near future.

Perhaps the minister is aware that I have been endeavouring to get some information in connection with the attitude of the government toward Stevenson field by certain questions which I have placed on the order paper. I may take a moment or two to summarize what I have done. First of all, on May 13 I gave notice of a motion asking for the tabling of documents relating to the possible enlargement of Stevenson field, but on May 17 the Minister of National Defence for Air advised me across the floor of the house that the material for which I was asking was quite voluminous and suggested that perhaps I would look at it privately and indicate what portions I should like to have brought down. Subsequently his department gave me the privilege of looking through that file. I found it very interesting; it dealt with many improvements to the field for which the government was responsible and which I was glad to note, but it did not make any reference to ways and means of lengthening the runways, which is the matter we feel should be given immediate attention, both for war-time needs and for the post-war period. After having looked over the file which I was shown by the Department of National Defence for Air, I placed a question on the order paper on May 18, in which I asked:

1. Has any consideration been given by the government, or by any department or branch thereof, to the question of re-routing the Souris branch of the Canadian Pacific Railway in order to permit a northward extension of Stevenson field at Winnipeg?

2. Have any representations in the above matter been made to the government, or to any department or branch thereof, and if so, by whom?

That question was passed as an order for return, and when the return was brought down the answer to question No. 1 was "no." The answer to question No. 2 was "yes," that representations had been made by the St. James-Winnipeg airport commission. Subsequently, on June 16, the house passed a motion in my name calling for the tabling of a copy of those representations, together with any replies made by the government. Of course that was only a few days ago, and the return has not been brought down as yet.

The department of mines and natural resources of Manitoba is taking a keen interest in this matter and has prepared a folder which contains two quite interesting maps, one of North America by itself and the other showing North America in relation to the north pole and to Europe, Asia and Africa which lie on the other side of the north pole. This map indicates the strategic position held by Winnipeg, not only for Winnipeg but for Canada as a whole, in the air map of the world which as we now realize centres around the northern part of the globe. In addition to the efforts

being made by the department of mines and natural resources of Manitoba, one of the Winnipeg newspapers has been doing what I regard, in spite of its political opposition to the group to which I belong, as a commendable job in emphasizing the importance of the taking of action at the present time. The Winnipeg *Tribune* has pointed out that at Stevenson field we have the possibilities of an airport to serve the whole of Canada in the post-war world. It is located conveniently to the city, being only three miles from the centre of Winnipeg. As we all know, it is rather unusual on the North American continent to have airport facilities quite so close to the centre of a great city. Even before the government, under the stress of war, assumed a major share of the responsibility for the operation of the field, the airport had facilities which were quite modern; in fact it had everything but runways of sufficient length for the largest planes flying to-day. On May 15 of this year, in a feature article dealing with this matter, the *Tribune* said:

> All types of planes which so far have come here—big bombers included—have been able to land at Stevenson field, but it took skilful piloting to bring them down safely. On the present runways they could just make it, with little or nothing to spare.

A little later in the same article, after the assets of Stevenson field had been recounted, I find this further statement which I should like to quote:

> But its runways are not long enough. . . .

Mr. HOWE: What is my hon. friend quoting from?

Mr. KNOWLES: From the Winnipeg *Tribune* of May 15, 1943.

Mr. HOWE: Who was it said he could not land there, or just made it?

Mr. KNOWLES: This is an article signed by Mr. L. F. Earl who said, if I may quote that part again, that all types of planes have been able to land at Stevenson field but that it took skilful piloting to bring them down safely.

Mr. HOWE: I do not think it would require an exceptionally skilful pilot to land at that field.

Mr. KNOWLES: The article goes on to say:

> A modern aerodrome, so say the engineers, should have minimum runways of 4,000 feet and should be capable of expansion to 5,000 feet. This is on a sea level basis. Winnipeg is about 800 feet above sea level, so these distances should be extended to 4,200 and 5,300 feet respectively.

The point at issue at the present time, in view of the fact that our longest runway is only 4,400 feet, is the necessity, if these runways are to be lengthened, of re-routing a portion of the Souris branch of the Canadian Pacific railway which runs just north of the present limit of Stevenson field. At the present time there is a good deal of vacant land there, and the railway could be shifted to make possible the lengthening of these runways. The newspaper to which I have already referred has been dealing with this matter at some length. It has carried reports from Ottawa to the effect that no consideration is being given to this matter as yet, and it expresses apprehension lest the matter be put off too long, and something happen to that vacant land north of Stevenson field, with the result that in order to have longer runways it might be necessary to go farther out into the country, or that Winnipeg might be by-passed altogether.

Despite the fact that the answer in the return which I have already mentioned was "no", would the minister state whether any consideration has been given to the shifting of the railway line to which I have referred, to make possible the northward extension of that field, and the subsequent lengthening of the runway?

I should also like to ask—and I confess I do so on the basis of rumours I have heard; I cannot substantiate them, but they are disquieting—whether any plans are being made for establishing in Manitoba an airport at some point other than Stevenson field, where such a fine start has been made. Would the minister authoritatively set aside that rumour, and let us know that any future enlargement of airport facilities will be at the field where, as I say, considerable progress has already been made and where facilities are in close proximity to the centre of a great city which, as I have pointed out, is situated in the centre of the continent, and is in a location strategic to the future of air travel in Canada?

I should hope the minister would reply to my question as to whether any consideration is being given to the measures necessary to lengthen these runways, and whether in

his knowledge plans are under way for any other airport in Manitoba to take the place of Stevenson field.

Mr. HOWE: Stevenson field is a first class airport, by any standards. It is used by Trans-Canada Air Lines, by the ferrying service, and by the Royal Canadian Air Force. It is quite satisfactory for any use to which it is being put at the moment. The approaches are ideal. There is much more to an airport than the length of its runways. There are many airports with longer runways than those on Stevenson field which are not nearly so good as Stevenson field. The services using the field to-day are satisfied with the present conditions, and it is a very busy airport.

Recently the city has interested itself in exploring the possibilities of extending the runways. The department has given the city certain advice in that matter. A plan was sent out about a week or ten days ago, containing the department's suggestion for any future expansion of the airport. May I point out that the airport is not the property of the dominion government, but rather that of the municipality of St. James. The department is the lessee of the airport only for war purposes. If during the war the need for a larger airport presents itself, that need will be met by the dominion government. After the war the airport will be turned back to its owner, and the government will at any time discuss with the owner the possibility of enlargements.

Mr. KNOWLES: Will the minister answer my other question? Are there any plans for replacing Stevenson field with any other airport so far as Manitoba is concerned?

Mr. HOWE: No.

Item agreed to.

DEPARTMENT OF NATIONAL DEFENCE FOR AIR

Hon. C. D. POWER (Minister of National Defence for Air): While the estimates for the Department of National Defence for Air were under consideration, some questions were asked. Those answers are now ready, and could be presented in about fifteen minutes, if we are allowed to place the answers on *Hansard*. My assistant will be only too glad to do so, if the committee approves. These are non-contentious matters.

Mr. GRAYDON: The minister is perfectly sure it will not take more than fifteen minutes?

Mr. POWER: If it is more than fifteen minutes, we will stop.

Mr. GRAYDON: Often it takes longer than we think, and it is now almost eleven o'clock. However, I have no objection to going on until eleven o'clock. Most of us find it a long day, even as it is.

Mr. POWER: These are questions asked by hon. members, and no doubt they would like to have the answers on *Hansard*. Some of the answers involve long schedules, and I would ask permission of the committee to place this information on *Hansard*. For instance, someone has asked the amount of money spent on aerodromes in different parts of the country. The answer will probably be lengthy, and there would be no point in reading it. I would suggest that it be put on *Hansard*, without having it read.

The CHAIRMAN: By unanimous consent.

Hon. CYRUS MACMILLAN (Parliamentary Assistant to the Minister of National Defence for Air): Mr. Chairman, the hon. member for Lake Centre (Mr. Diefenbaker) asked respecting the amount of money paid in the past year for insurance premiums in the various schools; the amount paid by each school per year, and the names of the agents with whom the said insurance is placed. With the consent of the committee I would ask that this be placed on *Hansard;* it is quite long.

The CHAIRMAN: It is understood that the committee is giving unanimous consent that this be done.

Mr. MACMILLAN: The information follows:

AERO INSURANCE UNDERWRITERS AND CANADIAN AVIATION INSURANCE MANAGERS, LTD.

E.F.T.S. AND A.O.S. EXPERIENCE COMBINED

June 1, 1940—March 31, 1943

Insured	Premiums		Air claims reported	Amount of air claims paid	Ground claims reported	Amount of ground claims paid	Amount of air claims outstanding	Amount of ground claims outstanding	Amount of claims paid and outstanding
	Air	Ground							
	$ cts.	$ cts.		$ cts.		$ cts.	$ cts.	$ cts.	$ cts.
Elementary Flying Training Schools	371,423 54	251,140 51	70	52,811 75	889	63,110 96	205,200 00	28,942 00	350,064 71
Air Observer Schools	190,680 12	134,958 95	28	11,717 31	584	19,263 16	144,874 00	12,065 00	187,919 47
	562,103 66	386,099 46	98	64,529 06	1,473	82 374 12	350,074 00	41,007 00	537,984 18

Loss Ratio—56·737%

Insurance placed through Companies' own agents.

AERO INSURANCE UNDERWRITERS AND CANADIAN AVIATION INSURANCE MANAGERS, LTD.

AIR OBSERVER SCHOOLS EXPERIENCE

June 1, 1940—March 31, 1943

Insured	Premiums		Air claims reported	Amount of air claims paid	Ground claims reported	Amount of ground claims paid	Amount of air claims outstanding	Amount of ground claims outstanding	Amount of claims paid and outstanding
	Air	Ground							
	$ cts.	$ cts.		$ cts.		$ cts.	$ cts.	$ cts.	$ cts.
No. 1 A.O.S.— Dominion Skyways (Observers), Limited, MALTON, Ontario	21,286 22	12,006 26	4	770 35	85	2,286 81	37,875 00	4,335 00	45,267 16
No. 2 A.O.S.— Canadian Airways (Training), Limited, EDMONTON, Alberta	27,520 59	4,966 80	2	528 50	.....	.....	.....	.....	528 50
No. 3 A.O.S.— Prairie Flying School, Limited, REGINA, Saskatchewan	20,889 02	14,713 37	1	807 18	70	4,087 05	15,325 00	510 00	20,729 23
No. 4 A.O.S.— Leavens Bros. (Training), Limited, LONDON, Ontario	15,583 19	16,064 34	6	1,622 17	53	2,234 68	16,505 00	840 00	21,201 85
No. 5 A.O.S.— Winnipeg Air Observer School, Limited, WINNIPEG, Manitoba	17,485 62	14,823 63	1	3,172 00	51	2,415 13	.....	1,570 00	7,157 13
No. 6 A.O.S.— Prince Albert Air Observer School, Ltd., PRINCE ALBERT, Saskatchewan	11,239 48	12,349 09	1	1,169 00	59	1,477 67	14,739 00	.....	17,385 67
No. 7 A.O.S.— Portage Air Observer School, Limited, PORTAGE LA PRAIRIE, Manitoba	19,478 15	12,824 17	5	1,146 55	48	1,574 83	35,335 00	100 00	38,156 38
No. 8 A.O.S. Quebec Airways (Observers), Limited, ANCIENNE LORETTE, P.Q.	16,534 81	18,859 13	3	.....	98	2,644 14	1,100 00	625 00	4,369 14
No. 9 A.O.S.— Dominion Skyways (Observers), Limited, ST. JOHNS, P.Q.	26,029 45	18,476 70	3	367 35	79	1,196 33	19,075 00	2,645 00	23,283 68
No. 10 A.O.S.— Northumberland Air Observer School, Ltd., CHATHAM, N.B.	14,633 59	9,875 46	2	2,134 21	41	1,346 52	4,920 00	1,440 00	9,840 73
	190,680 12	134,958 95	28	11,717 31	584	19,263 16	144,874 00	12,065 00	187,919 47

AERO INSURANCE UNDERWRITERS AND CANADIAN AVIATION INSURANCE MANAGERS, LTD.

ELEMENTARY FLYING TRAINING SCHOOLS EXPERIENCE

June 1st, 1940—March 31st, 1943

Insured	Premiums		Air claims reported	Amount of air claims paid	Ground claims reported	Amount of ground claims paid	Amount of air claims outstanding	Amount of ground claims outstanding	Amount of claims paid and outstanding
	Air	Ground							
	$ cts.	$ cts.		$ cts.		$ cts.	$ cts	$ cts.	$ cts.
2. Thunder Bay Air Training School, Limited, FORT WILLIAM, Ontario	16,153 64	10,422 54	2	3,343 37	27	1,411 35	.....	485 00	5,239 72
3. London Elementary Flying Training School, Limited, LONDON, Ontario	13,807 70	8,501 46	5	10,249 38	25	1,485 63	29,575 00	.....	41,310 01
4. Windsor Mills Flying Training School, WINDSOR MILLS, P.Q.	18,051 50	13,253 76	3	427 91	20	5,765 84	.....	250 00	6,443 75
5. High River Flying Training School, Ltd., HIGH RIVER, Alberta	25,174 74	3,334 29	5	4,458 98	1	9 00	46,280 00	.....	50,747 98
6. Northern Saskatchewan Flying Training School, PRINCE ALBERT, Sask.	21,881 78	21,305 52	3	3,225 57	72	3,517 35	5,500 00	3,130 00	15,372 92
7. Windsor Flying Training School, Limited, WINDSOR, Ontario	19,768 99	11,986 30	2	902 23	36	2,576 27	.....	57 00	3,535 50
8. Vancouver Air Training Co., Limited, VANCOUVER, B.C.	7,728 49	3,801 17	1	328 86	13	1,639 02	.....	2,500 00	4,467 88
9. St. Catharines Flying Training School, Limited, ST. CATHARINES, Ontario	20,087 50	13,697 62	3	733 02	74	2,076 30	.....	45 00	2,854 32
10. Hamilton Flying Training School, Ltd., PENDLETON, Ontario	20,752 48	15,809 43	2	4,395 58	41	1,823 72	2,500 00	3,200 00	11,919 30
11. Quebec Airways (Training) Limited, CAP DE LA MADELEINE, P.Q.	20,662 14	13,076 31	6	444 14	85	5,441 26	2,000 00	2,495 00	10,380 40
12. Huron County Flying Training School, Limited, GODERICH, Ontario	19,748 27	14,594 69	3	5,949 14	45	7,082 22	29,820 00	450 00	43,301 36
13. Eastern Ontario Flying School, Ltd., ST. EUGENE, Ontario	20,344 86	15,144 01	8	2,411 69	108	8,160 37	28,820 00	1,985 00	41,377 06
15. Regina Elementary Flying School, Ltd., REGINA, Saskatchewan	16,764 82	11,368 10	0	.....	35	1,460 56	.....	50 00	1,510 56
17. Nova Scotia Flying Training School, Limited, STANLEY, N.S.	13,149 73	10,389 84	3	3,034 80	42	4,215 19	7,320 00	5,295 00	19,864 99
19. Virden Flying Training School, Limited, VIRDEN, Manitoba	27,693 40	15,485 70	5	2,927 18	49	1,094 02	18,220 00	70 00	22,311 20
20. Ontario County Flying Training School, Limited, OSHAWA, Ontario	24,585 56	16,531 99	4	835 52	49	1,544 09	1,000 00	125 00	3,504 61
22. City of Quebec Elementary Flying Training School, Limited, Quebec, P.Q.	4,086 41	2,964 81	1	4 00	14	3,392 85	.....	.....	3,396 85
31. Malton Flying Training School, Limited, DE WINTON, Alberta	12,136 49	6,868 76	1	126 24	8	718 98	.....	.....	845 22
32. Edmonton Flying Training School, Ltd., BOWDEN, Alberta	12,961 92	1,986 57	1	25 00	.....	.....	.....	.....	25 00
33. Boundary Bay Flying Training School, Ltd., CARON, Saskatchewan	14,804 21	15,133 50	4	3,745 63	55	3,801 06	7,290 00	3,075 00	17,911 69
34. Central Manitoba Flying Training School, Limited, ASSINIBOIA, Sask.	12,384 33	13,634 92	1	141 54	25	1,188 01	.....	90 00	1,419 55
35. Miramichi Flying Training School, Ltd., NEEPAWA, Manitoba	8,694 56	11,849 22	7	5,101 97	65	4,707 87	26,875 00	5,640 00	42,324 84
	371,423 54	251,140 51	70	52,811 75	889	63,110 96	205,200 00	28,942 00	350,064 71

The hon. member for Lincoln (Mr. Lockhart) asked for an analysis or details of those aerodromes included in the central western provinces, excluding British Columbia and Ontario. He asked for information particularly with respect to Alberta, Saskatchewan and Manitoba. This return is very lengthy and complicated, comprising four pages. With the consent of the committee I ask that it be placed on *Hansard*. It is as follows:

Schedule "A"

Department of National Defence for Air

Summary of commitments for construction of new projects for the purposes of training in the provinces of Manitoba, Saskatchewan and Alberta
Period April 1, 1941, to May 31, 1943

	Manitoba	Saskatchewan	Alberta	Total
B.C.A.T.P. units	$6,929,001 27	$ 1,878,870 51	$4,410,494 23	$13,218,366 01
R.A.F. units	1,371,765 12	8,990,294 15	4,539,020 61	14,901,079 88
Total	$8,300,766 39	$10,869,164 66	$8,949,514 84	
Grand total				$28,119,445 89

Note.—The amounts committed for R.A.F. units are recoverable from the government of the United Kingdom but they are included in this summary and the supporting schedules because reference has been made in the house to construction at places where R.A.F. units are located.

Note.—All the above amounts relate to construction for training purposes and nothing is included for construction for the purposes of defence.

Schedule "B"

Department of National Defence for Air

Commitments for construction of new projects in the province of Manitoba
Period April 1, 1941, to May 31, 1943

	Aerodrome development	Works and buildings development	Total during period
B.C.A.T.P. Units:			
Hargrave, Relief Field No. 1 to No. 19 E.F.T.S., Virden	$ 25,000 00	$ 9,900 00	$ 34,900 00
Valley River, Relief Field No. 2 to No. 10 S.F.T.S., Dauphin	.....	44,321 64	44,321 64
Chater, Relief Field No. 1 to No. 12 S.F.T.S., Brandon	.....	123,244 72	123,244 72
Douglas, Relief Field No. 2 to No. 12 S.F.T.S., Brandon	.....	40,205 00	40,205 00
Souris, No. 17 S.F.T.S.	790,000 00	1,607,842 52	2,397,842 52
Hartney, Relief Field No. 1 to No. 17 S.F.T.S., Souris	439,300 00	126,917 20	566,217 20
Elgin, Relief Field No. 2 to No. 17 S.F.T.S., Souris	162,800 00	34,650 00	197,450 00
Gimli, No. 18 S.F.T.S.	1,128,500 00	1,528,357 79	2,656,857 79
Netley Lake, Relief Field No. 1 to No. 18 S.F.T.S., Gimli	737,800 00	130,162 40	867,962 40
Totals—B.C.A.T.P. Units—Manitoba	$3,283,400 00	$3,645,601 27	$6,929,001 27
R.A.F. Units:			
Neepawa, No. 35 E.F.T.S.	$ 423,600 00	$ 702,457 30	$1,126,057 30
Eden, Relief Field No. 1 to No. 35 E.F.T.S., Neepawa	19,600 00	9,900 00	29,500 00
Petrel, Relief Field No. 1 to No. 33 S.F.T.S., Carberry	.....	170,865 50	170,865 50
Oberon, Relief Field No. 2 to No. 33 S.F.T.S., Carberry	.....	45,342 32	45,342 32
Totals—R.A.F. Units—Manitoba	$ 443,200 00	$ 928,565 12	$1,371,765 12

Note.—Where no amount appears under "Aerodrome Development", commitment for such development was made before April 1, 1941.

Schedule "C"

Department of National Defence for Air

Commitments for Construction of New Projects in the Province of Saskatchewan
Period April 1, 1941, to May 31, 1943

	Aerodrome development	Works and buildings development	Total during period
B.C.A.T.P. Units:			
Saskatoon, No. 7 I.T.S.	.....	$ 540,754 46	$ 540,754 46
Hagen, Relief Field No. 1 to No. 6 E.F.T.S., Prince Albert	$ 9,000 00	9,900 00	18,900 00
Davidson, No. 23 E.F.T.S.	468,015 48	808,496 22	1,276,511 70
Rhein, Relief Field No. 2 to No. 11 S.F.T.S., Yorkton	.....	42,704 35	42,704 35
Totals—B.C.A.T.P. Units—Saskatchewan..	$ 477,015 48	$1,401,855 03	$1,878,870 51
R.A.F. Units:			
Caron, No. 33 E.F.T.S.	$ 436,670 00	$ 807,628 54	$1,244,298 54
Assiniboia, No. 34 E.F.T.S.	442,900 00	785,788 00	1,228,688 00
Lethburn, Relief Field No. 1 to No. 34 E.F.T.S., Assiniboia	18,040 00	9,900 00	27,940 00
Burdick, Relief Field No. 2 to No. 32 S.F.T.S., Moose Jaw	170,350 00	5,555 00	175,905 00
Hamlin, Relief Field No. 1 to No. 35 S.F.T.S., North Battleford	.....	144,256 00	144,256 00
Brada, Relief Field No. 2 to No. 35 S.F.T.S., North Battleford	.....	40,205 00	40,205 00
Estevan, No. 38 S.F.T.S.	734,175 00	1,629,548 72	2,363,723 72
Outram, Relief Field No. 1 to No. 38 S.F.T.S., Estevan	488,575 00	129,659 23	618,234 23
Chandler, Relief Field No. 2 to No. 38 S.F.T.S., Estevan	166,910 00	40,205 00	207,115 00
St. Aldwyn, Relief Field No. 1 to No. 39 S.F.T.S., Swift Current	.....	159,223 46	159,223 46
Wymark, Relief Field No. 2 to No. 39 S.F.T.S., Swift Current	.....	40,205 00	40,205 00
Weyburn, No. 41 S.F.T.S.	706,750 00	1,338,611 05	2,045,361 05
Halbrite, Relief Field No. 1 to No. 41 S.F.T.S., Weyburn	455,710 00	133,224 15	588,934 15
Ralph, Relief Field No. 2 to No. 41 S.F.T.S., Weyburn	66,000 00	40,205 00	106,205 00
Totals—R.A.F. Units—Saskatchewan	$3,686,080 00	$5,304,214 15	$8,990,294 15

Note.—Where no amount appears under "Aerodrome Development", commitment for such development was made before April 1, 1941, excepting in the case of No. 7 I.T.S., Saskatoon, for which no aerodrome is required.

Schedule "D"

Department of National Defence for Air

Commitments for Construction of New Projects in the Province of Alberta
Period April 1, 1941, to May 31, 1943

	Aerodrome development	Works and buildings development	Total during period
B.C.A.T.P. Units:			
Frank Lake, Relief Field No. 1 to No. 5 E.F.T.S., High River	.....	$ 15,900 00	$ 15,900 00
Shepard, Relief Field No. 1 to No. 3 S.F.T.S., Calgary	.....	128,656 47	128,656 47
Inverlake, Relief Field No. 2 to No. 3 S.F.T.S., Calgary	.....	40,205 00	40,205 00
Standoff, Relief Field No. 2 to No. 7 S.F.T.S., MacLeod	$ 128,000 00	5,555 00	133,555 00
Woodhouse, Relief Field No. 1 to No. 15 S.F.T.S., Claresholm	.....	143,886 20	143,886 20
Champion, Relief Field No. 2 to No. 15 S.F.T.S., Claresholm	138,300 00	40,205 00	178,505 00
Vulcan, No. 19 S.F.T.S.	891,950 00	1,580,269 12	2,472,219 12
Ensign, Relief Field No. 1 to No. 19 S.F.T.S., Vulcan	522,000 00	134,762 67	656,762 67
Edmonton, No. 3 Manning Depot	.....	640,804 77	640,804 77
Total—B.C.A.T.P. Units—Alberta	$1,680,250 00	$2,730,244 23	$4,410,494 23
R.A.F. Units:			
De Winton, No. 31 E.F.T.S.	$ 427,958 42	$ 755,279 25	$1,183,237 67
Bowden, No. 32 E.F.T.S.	442,600 00	771,909 58	1,214,509 58
Netook, Relief Field No. 1 to No. 32 E.F.T.S., Bowden	43,560 00	9,900 00	53,460 00
Innisfail, Relief Field No. 1 to No. 36 S.F.T.S., Penhold	.....	158,018 30	158,018 30
Blackfalds, Relief Field No. 2 to No. 36 S.F.T.S., Penhold	220,500 00	40,605 00	261,105 00
Airdrie, Relief Field No. 1 to No. 37 S.F.T.S., Calgary	.....	159,434 73	159,434 73
Pearce, No. 36 E.F.T.S., converted to No. 3 A.O.S. (B.C.A.T.P.); No. 3 A.O.S. located at Regina having moved to Pearce after July 1, 1942. No. 3 A.O.S., Pearce, being disbanded and No. 2 F.I.S., being formed at Pearce (June 6, 1943)	.....	1,509,255 33	1,509,255 33
Total—R.A.F. Units—Alberta	$1,134,618 42	$3,404,402 19	$4,539,020 61

Note.—Where no amount appears under "Aerodrome Development", commitment for such development was made before April 1, 1941, excepting in the case of No. 3 Manning Depot, Edmonton, for which no aerodrome is required.

The hon. member for Qu'Appelle (Mr. Perley) inquired about the procedure in settling estates of deceased members of the air force. The answer to this question is long. However, I suggest it should be placed on *Hansard,* because hon. members will doubtless be asked questions of a similar character. These four pages—

Mr. GRAYDON: Mr. Chairman, I can see many reasons why this information should go on *Hansard,* with unanimous consent. But if it does, it should be understood that if, after having perused this information, hon. members wish to ask supplementary questions, they may be permitted to do so.

Mr. POWER: I agree to that.

Mr. MacINNIS: Mr. Chairman, I am afraid we are embarking on a dangerous precedent in putting material of this kind on the record, without first having it read. In the past we have accepted tables, and that sort of thing; but my understanding since I came to this house thirteen years ago has been that matter of this kind was not to be put on the record without its being read. I know that in the United States congress complete speeches may be put in without being read, but that has never been done here. I do not think it would be wise to depart from the practice which has been followed for so long.

The CHAIRMAN: The point of order raised by the hon. member for Vancouver East is well founded. There must be unanimous consent before material can be placed on the record.

Mr. MACMILLAN: As I shall not be able to read this in ten minutes I shall leave it for another time. The hon. member for Davenport (Mr. MacNicol) asked if the publication *Wings* pays for itself. It does not. The monthly revenue more than covers the purchase of materials and the typesetting that is done by a civilian firm. In effect, the only public expense is for salaries of service personnel and for the shipping of the paper to the stations. It is still a new venture and has every right to expect that, as it develops, expenditures will be reduced. The hon. member for Qu'Appelle asked about the cost of publishing *Wings.* The total cost is $1,487 a month. The revenue for the first three months was $540 a month. The monthly deficit is $947 at the present time. The cost is made up of $346 for materials; $112 for typesetting; $265 for shipping; and $764 for editorial staff; or a total of $1,487.

The hon. member for St. John-Albert (Mr. Hazen) asked if buses are attached to the Pennfield Ridge station to take personnel to the city. Buses are not attached to this station to take personnel to the city. Saint John is thirty-nine miles from the station, and a civilian bus service is in operation. He asked also if orders have been issued to restrict the use of staff cars. The answer is, yes. The King's Regulations and Orders for the Royal Canadian Air Force, Canadian air publication No. 23, gives specific instructions with regard to restricting the use of staff cars. Orders are issued periodically with regard to this procedure.

The hon. member for Prince Edward-Lennox (Mr. Tustin) inquired about the cost of posters. One hundred and fifty thousand posters, size twenty-five by thirty-eight inches, were produced at a cost of $25,302, or, roughly, seventeen cents each. Twenty thousand posters in French were produced at a cost of $6,000. Fifty thousand posters in connection with recruiting for the women's division were produced at a cost of $6,900, or, roughly, fourteen cents each.

The hon. member for Peterborough West (Mr. Fraser) asked whether helicopters can land on water. They can be fitted with flotation bags which will permit them to be so landed.

The hon. member for York West (Mr. Adamson) asked if the Jacobs engine has been satisfactory. Since the original teething troubles were overcome, the Jacobs engine has given good satisfaction. A recent survey has shown that accidents on account of engine failure in aircraft fitted with Jacobs engines occur at a rate of only one in about twenty-nine thousand hours of flying, a rate which compares favourably with other engines. I think these are all the questions I can answer before eleven o'clock.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Wednesday, June 23, 1943

The house met at three o'clock.

POST-WAR RECONSTRUCTION

Second report of special committee on reconstruction and reestablishment.—Mr. Turgeon.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CLOSING OF PAPER MILL

Mr. DORION:

1. Have the paper mills at Riverbend, Jonquiere, and Kenogami, been shut down?
2. If so, (a) by whose orders; (b) on what date; (c) for what reasons; (d) for how long?
3. To whom do these mills belong?
4. By whom have they been operated?
5. By whom is the electric power furnished for each of these mills?
6. Do these mills receive any compensation while shut down? If so, how much, from whom, and for what reason?

Mr. ABBOTT:

1. The three mills have been partially shut down on a number of occasions since September 1, 1942, and completely shut down on one occasion.

2. The partial shut downs were caused by curtailment of power, repairs and holidays. The Riverbend mill was also shut down at various intervals during the month of January, 1943, and up to February 3, owing to the storm conditions causing car shortages in that area.

On April 7, 1943, the newsprint administrator was notified by Price Brothers & Co. Ltd., that the Riverbend mill had gone out of operation at 10 p.m. on April 6, 1943, and the Kenogami mill at 8 a.m. April 7, 1943, due to a walk-out on the part of the workmen. The Jonquiere mill was similarly shut down. These shut downs lasted until April 26, 1943.

3. The Riverbend, Jonquiere and Kenogami mills belong to the shareholders of Price Brothers & Co. Ltd.

4. The Riverbend and Kenogami mills have been registered with the newsprint administrator as being operated by Price Brothers & Co. Ltd. The Jonquiere mill is operated by the same company.

5. According to information received from Price Brothers the electric power for these mills is supplied by the Saguenay Power Company and from plants owned by Price Brothers & Co. Ltd.

6. No decision has yet been reached as to whether the Kenogami and Riverbend mills will be entitled to receive any compensation while shut down and no definite settlement has yet been made with the mills in connection therewith. The Jonquiere mill does not receive any compensation while shut down.

*BRITISH COLUMBIA CANNED SALMON

Mr. FRASER (Peterborough West):

1. Will British Columbia canned salmon be released to the trade this year for home consumption?
2. If so, how many cases will be released?

[Mr. Macmillan.]

Mr. BERTRAND (Laurier): There will be 200,000 cases of salmon of 48 pounds each released for domestic consumption this year.

WARTIME PRICES AND TRADE BOARD—HALIFAX RENTAL ADMINISTRATION

Mr. BLACK (Cumberland):

1. Is Mr. Joseph F. McManus, Halifax, Nova Scotia, employed by the wartime prices and trade board as rental administrator?
2. If so, what is he paid for, (a) salary; (b) expenses?
3. What offices does he occupy, what is paid for rental, and to whom is such rental payable?
4. Are any ex-service men employed at this work at Halifax? If so, what are their names?

Mr. ABBOTT:

1. No. Mr. Joseph F. McManus, who is the chief assessor for the city of Halifax, has been loaned to the rentals administration by the municipal council for part time to act as a rentals committee of one man for the city and district of Halifax. The functions and responsibilities of this committee are to fix, under the authority of the rentals administration, the rates charged to occupants of boarding houses and rooming houses in that city.

2. (a) Mr. McManus has received an allowance of $100 a month up to May 31, which has been reduced to $50 a month because the bulk of the work has been completed.
(b) None.

3. He uses part of the regional office of the wartime prices and trade board and no additional rental is involved.

4. See answer to question 1.

*CANADIAN ARMY—OVERSEAS REINFORCEMENTS

Mr. ROY:

Considering that the references mentioned by the government, on June 7, in answer to questions regarding the number of divisions available as reinforcements overseas, do not disclose the facts sought in the said question, why is not this information given to the house?

Mr. MACDONALD (Halifax): In answer to this question, I would say that it is considered that the information sought was fully covered in the references listed in the answer tabled.

OIL DEVELOPMENT IN FORT NORMAN AREA

Mr. HANSELL:

1. Is there any portion of country in Canada's Northwest which is under the control of the United States army, and if so, what portion of territory, and what are the boundaries?
2. Is there any war-time oil development taking place in the Fort Norman area, and if

so, how many oil wells are being drilled, and is such development being done under Canadian or American military authorities?

3. Is a pipeline being constructed in any part of this territory, and if so, is this being done under control of Canadian or American military officials?

4. If a pipeline is being built, what is the extent of this pipeline?

5. If war-time oil development is taking place in this territory, is equipment and men being supplied by Canadian or American authorities?

6. Have oil rights been sold or leased in this territory; if so, to whom?

Mr. MACKENZIE KING:

1. There is no portion of Canadian territory under control of the United States army.

2. The answer to the first part of this question is in the affirmative, but it is not in the public interest that the number of wells should be disclosed. The project is being carried out by the United States army with Canadian approval and cooperation.

3. The construction of a pipeline is part of the project mentioned in the answer to No. 2.

4. It would not be in the public interest to answer this question.

5. Both.

6. For many years the Northwest Company, a subsidiary of Imperial Oil Limited, held five leases and one permit obtained under departmental regulations authorized from time to time by order in council. The wells on these have been producing oil supplies for use in the Northwest Territories. These leases and permit now stand in the name of Imperial Oil Limited and that company has obtained thirty-six permits under regulations authorized by order in council P.C. 742, dated January 28, 1943.

QUESTIONS PASSED AS ORDERS FOR RETURNS

SELECTIVE SERVICE—COAL MINING INDUSTRY ADVISORY COMMITTEE

Mr. CARDIFF:

1. When was the coal mining industry advisory committee to national selective service formed?
2. Who comprised said committee, and what interests in the industry did each member represent?
3. Upon what dates did said committee meet with the minister or deputy minister of labour, or officials of national selective service?
4. Was a draft of order in council P.C. 4092 submitted to said advisory committee before it was approved by council?
5. If so, was said draft unanimously approved by said advisory committee?
6. Subsequent to date of said order in council, did any member or members of said advisory committee tender their resignation from said committee?
7. If so, who so resigned, and what were the reasons given for such action?

Mr. MARTIN: Return tabled.

COAL PRODUCTION, EXPORTS AND SUBVENTIONS

Mr. HANSELL:

1. What is the total tonnage of coal produced by each province in Canada for each of the years 1939 to 1943?
2. What is the total tonnage of coal exported, and to what countries, for each of the years 1939 to 1943?
3. What are the total amounts paid to each of the provinces by way of subventions for the movement of coal for the years 1939 to 1943?
4. What amounts, and to whom or what firms, were paid by way of subventions for movement of coal for the year 1942?

MOBILIZATION ACT—"R" RECRUITS

Mr. GREEN:

1. Of the number of "R" recruits shown at page 3089 of unrevised *Hansard* for the present session as having been accepted in the various military districts, how many, by districts, were subsequently discharged or released from service?

2. What were the various grounds upon which they were discharged or released, and the numbers upon each ground, by military districts?

MOTION FOR PAPERS

AIRCRAFT AGREEMENTS—MANITOBA

Mr. DIEFENBAKER:

For a copy of all agreements between the government of Canada and each of the following companies: MacDonald's Aircraft Company, Midwest Aircraft Company, and Standard Machine Works, each being located in the province of Manitoba.

WAR PLANTS

PROPERTY DAMAGE CAUSED BY EXPLOSIONS

On the orders of the day:

Mr. LIGUORI LACOMBE (Laval-Two Mountains) (Translation): Mr. Speaker, I wish to direct a question to the hon. Minister of Munitions and Supply (Mr. Howe) or, in his absence, to his parliamentary assistant, the hon. member for Stormont (Mr. Chevrier). Has the minister heard that, in the parish of St. Louis de Terrebonne, the ceiling of a church has been demolished by explosions in a war plant of the district and that damages have also occurred in the parish of St. François de Sales? What does the government intend to do to avoid such damages in the future?

Mr. LIONEL CHEVRIER (Parliamentary Assistant to the Minister of Munitions and Supply) (Translation): Mr. Speaker, the hon. member has not notified me of his intention to ask this question. However, I may say to him...

Mr. SPEAKER: Order. Perhaps the hon. member will explain whether this is a question that should be asked on the orders of the day or whether it should be placed on the order paper.

Mr. CHEVRIER: I think there is no doubt that it should not be asked on the orders of the day. It is a question which concerns damage alleged to have been done in the parish of Terrebonne in connection with tests being made by the inspection board of the United Kingdom and Canada.

JUDGES

PRESS REPORT AS TO STATEMENT OF FORMER MEMBER OF PARLIAMENT

On the orders of the day:

Mr. T. L. CHURCH (Broadview): Since no one else has seen fit to do so I should like to direct a question to the attorney general relating to a dispatch appearing on page 4 of the Toronto *Globe and Mail* of this morning. A former member of this house, an old parliamentarian and a lady with a keen sense of humour, is alleged to have stated in Kenora last night that "she had never met a progressive judge" and that "judges are all political heelers or they would not be judges." I am aware of the parliamentary rules, but I want to say that many of these overworked judges have lost their sons in this war, and I think some statement ought to be made in this connection by the Minister of Justice.

Hon. L. S. ST. LAURENT (Minister of Justice): My attention was directed to this short dispatch just a few moments ago. Certainly it is regrettable that declarations of this kind should be made by or attributed to persons so well known as Miss Macphail, who for a number of years was a member of this house. The statement is as unfortunate as it is unfounded. Declarations of this kind can have no other effect than to diminish the respect of the people for the administration of justice in this country, and as such they are most deplorable. I shall direct the attention of the censors to this dispatch, and see if arrangements cannot be made that publicity will not in future be available for matters of this kind.

Mr. CHURCH: The censors should have stopped it.

CANADIAN ARMY

REPORT OF COMMITTEE INQUIRING INTO MEDICAL SERVICES OF ARMED FORCES

On the orders of the day:

Mr. J. J. McCANN (Renfrew South): I understand that some months ago a committee was set up to inquire into medical services in Canada, and more particularly medical services in the armed forces. Has the report of that committee been received and, if it has been received, will it be tabled?

Hon. J. L. RALSTON (Minister of National Defence): I do not think it has been received yet; it has not been brought to my attention. I understood that it was in course of preparation and may be expected very shortly.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Tuesday, June 22, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

DEPARTMENT OF LABOUR

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Chairman, the man-power situation in Canada has been much in the public mind in recent months and has been the subject of considerable debate in this chamber. It has been charged from across the floor that there is a man-power "muddle" in Canada, yet one hears few constructive suggestions which would help the government to improve matters. In my opinion, and I believe the opinion of a great majority of this house, we have the best possible man-power policy that can be devised. I say that having in mind all we are doing to help win this war, our limited population, the vast territory over which this population is spread, there will be widespread agreement with this statement.

Mr. GRAYDON: Not very widespread.

Mr. MITCHELL: Not as far as my hon. friend is concerned, of course. No apology need be made for the selective service programme of Canada. There are and will continue to be labour shortages, emergency conditions will arise which will necessitate emergency measures, but we are engaged in a total war and things cannot be as normal as in peace time. In fact if we did not have labour shortages we could not claim to be waging total war. Of course we have a man-power problem in Canada. We will have it for the duration of the war. As our main concern is the provision of adequate fighting forces there must of necessity be improvisation and adjustment of the available forces for work on the home front. Hundreds of thousands of our finest men have joined the

navy, army and air force. Thousands of women also are in uniform. We have the greatest combined fighting forces we have ever had in our history.

The strength of our armed forces alone is enough to create a man-power problem on the home front. But in addition we have a huge number of men and women working in our war plants. This naturally has led to shortages in agriculture, mining, fishing and timber operations and in other industries closely associated with our war effort. You cannot take five from ten and still have ten. That is elementary.

Hon. members should keep uppermost in mind the magnitude of our navy, army and air force and the fact that our industrial output and food production is now the greatest in our history. It must be admitted that this is a wonderful achievement by the Canadian people.

The leader of the opposition has stated that—and I quote—"the problem of man-power in Canada is the major issue facing the Canadian people." All warring countries have man-power problems and we in Canada are striving to meet our problem in the most effective way.

In a progress report on man-power issued by the office of war information of the United States, No. 1844, there are several paragraphs of interest to us in discussing our situation.

I quote:

> Evidence that shortages have been met so far lies in the fact that production has been maintained and increased.

And further:

> Mere statement of the main phases of man-power prove it is a national problem of the utmost importance. More advanced over-all programming might have headed off many of the dislocations and difficulties that harass us now—but the solution of man-power problems, it must be emphasized, is almost entirely local, in the hands of every citizen, every community.

I would like the house to note this official view in Washington:

> National Service Act or not, man-power problems will be with us throughout the war and after. We will meet them, as we have met those so far, community by community, plant by plant, through better use of workers, training the untrained, by eliminating the causes of wasteful turnover and absenteeism and by working harder for longer hours, up to the maximum of efficient production. Our needs for munitions, essential civilian goods and food will be met, because they must be met, but only by hard and unremitting work.

That is the end of the quotation, Mr. Chairman. I submit in all sincerity that we have been striving since early in the war to grapple with our problems in much the same way as our good friends to the south of us.

To-day in Canada 5,100,000 men and women out of a total population of 8,720,000 aged 14 and over are in the armed services or at work. That is almost 60 per cent of those aged 14 or over. It is a good record. It is something to be proud of.

I shall lay on the table and request permission to publish in *Hansard* various statistical tables. One of the most important of them breaks down Canada's total population aged 14 and over. This table shows the distribution of that population by sex, according to those in the armed forces, those at work and those not at work. It gives comparative figures for August, 1939, June, 1941, and January, 1943, the distribution for the last two dates being shown as between civilian employment and war employment. This table will show the house that since the start of the war there has been an increase of about 1,000,000 in the number of persons in our forces and at work; that we have to-day a total of 1,700,000 in the armed services and our war plants and associated industries; that in addition we have 2,100,000 persons in agriculture and essential civilian employment. These groups include 70 per cent of all males in Canada 14 years and over.

Mr. DIEFENBAKER: Are those figures the result of a survey?

Mr. MITCHELL: My hon. friend may ask questions when I am through. I shall be quite prepared to answer.

The table further indicates that during the year and a half ended January 30, 1943, there was an increase of 915,000 in the number of persons in the armed forces or war industry. Meanwhile there was a decline of 92,000 in the number of those engaged in civilian employment which largely represents a drain of man-power from work unnecessary in wartime.

Our man-power policy is quite clear. It is to provide the greatest possible number for our armed forces, while at the same time supplying the necessary men and women for our war industries, farms, base metal mines, lumber camps, railways—inland and sea-going shipping.

To meet this problem we have diverted men and women from low to high priority industries, according to their skills and physical strength, without depriving any young men or women in this country from the privilege and honour of serving "voluntarily" in the armed forces of this nation, with the single exception of coal mining.

Because of the great increase in our army of workers we must maintain more of certain civilian services than would otherwise be

needed, such as manufacturing, trade, distribution, transportation, communications and construction of homes. But through controls administered by the wartime industries control board, wartime prices and trade board and selective service there has been a sharp drop in the employment of persons engaged in the production and sale of things we can do without until the war is over.

The commendable desire of our young men and women to volunteer for service in the navy, army and air force naturally led to shortages of labour for the jobs at home. These shortages have been added to by the thousands of men called up for service in Canada under the National Resources Mobilization Act. In addition to the drain of man-power into the armed services, the movement of men and women into war plants creates difficult problems with which we are dealing every day.

A year ago—in March, 1942—we placed restrictions on the exodus of man-power from the farms, we also restricted employment of able-bodied men and women in certain occupations by requiring government permits. These controls were tightened in June, 1942, when order in council P.C. 5038 was passed by which among other things and subject to certain conditions, no employer can take any person into employment without notifying a local national selective service office. And in August, 1942, to establish more extensive controls over employment than those in force at the time, the national selective service regulations were enacted by order in council P.C. 7595.

We rapidly expanded our employment office organizations, because that is the very basis of our policy. It consists now of 216 offices and a staff of 4,400 against 75 offices and a staff of 425 in 1940. This will give hon. members some indication of the expansion of the placement machinery under the jurisdiction of the Department of Labour. On February 1, 1943, in order to amend and consolidate the various orders and regulations affecting man-power we adopted the national selective service civilian regulations as covered by P.C. 246.

On April 2, 1943, we secured authority by order in council 2665 for the compulsory transfer of persons to more essential jobs. The order covers single men 19 to 40 years of age and married men 19 to 25 years of age, the classes designated under the call-up regulations.

Under the authority given to the minister two orders have been made covering transfers from specified industries and occupations. The purpose is to assure that men found not fit for military service should do important work at home, not be left in non-essential occupations. These orders are the logical sequence to the system of call-ups for army service in Canada. Men now are to be called for vital civilian jobs to fill in the gaps in our production programme.

As the Prime Minister told the house on May 17, the production of coal officially has been declared a national emergency. A shortage of labour in coal mining has been accentuated by the greatly increased demand for coal in war industries. Last October we arranged to have coal miners receive special consideration for postponement of military service and instructed national selective service officers not to issue any permits for coal miners to seek any other employment. Then we arranged to have coal miners granted leave from the armed services in Canada if they were willing to return to the mines. Subsequently we established the emergency coal production board after full consulation with the national selective service advisory board and the man-power advisory committee of the coal industry.

We have issued an order requiring all ex-coal miners to return to coal mining regardless of their present occupations and are guaranteeing them full employment. We have also, in this same connection, authorized the employment of women in surface operations at the mines.

While all means of locating ex-coal miners are being used, we should not overlook how much the country owes to the men who have been mining our coal. By their exertions they have done their best not only to maintain coal production of the individual, but to increase it with marked success. In continuing at their hazardous occupation these men are making their greatest contribution to victory. Most assuredly they deserve the nation's thanks. I would like here to appeal to union officers in the coal mining industry to give the government and the people of Canada full support in this grave emergency. We invite cooperation and we need it.

Within the past week, some further measures have been taken for the direction of man-power to essential employment, in the light of present conditions. These are:

Increased control has been taken over the employment of youth 16, 17 and 18 years of age, by making persons of these ages subject to compulsory transfer orders in the same manner as men in the age groups liable for military service.

To provide man-power for fuelwood-cutting operations in view of the threatened fuel-

wood shortage for the coming winter, selective service officers have been authorized to give compulsory direction for the employment of men between the ages of 16 and 65 in this work. A similar provision has been made for direction to employment in fishing and fish-processing, in order to meet the pressing needs of the fishing industry of the maritime provinces and to bolster production of this necessary food.

Following upon representations from the provincial departments of education, provision has been made by amendment to selective service (civilian) regulations to retain in the teaching profession the services of teachers presently employed in schools, colleges, and universities which are not operated for gain. The new regulation forbids the employment of a bona fide teacher in any other occupation without the issuance of a special permit from a selective service officer, which permit will be issued only in accordance with conditions and directions approved by the Minister of Labour.

We have a priority plan for certain munitions industries—assuring that military call-ups would not adversely affect vital production. Care has been taken to see that there has not been abuse of this arrangement. It will be appreciated by the house that the contribution being made to the war effort of Canada by our munitions plants is of a character that will stand tremendously to the credit of our country years after the war is over. We had to keep this in mind while at the same time giving prime consideration to seeing that men were made available for the armed forces. That was our first task and I think it is the demand which was made in this house of members of the official opposition. It is axiomatic, however, that without the necessary munitions of war it would not help to have a large force of fighting men—unless we were to depend on others to supply them with equipment.

We also established a priority list which gave preference to labour needs in base metals and other very essential occupations. The priority arrangement has been the heart of our selective service system.

The question of farm labour has already been discussed in this house. Much ground was covered on June 3 when the house adjourned the regular order of business to deal with the problem. At the time I expressed disappointment that this phase of the man-power problem should be picked out for separate discussion from all others. If we are to use our man-power resources with the greatest possible efficiency we must look at the problem as a whole and not by individual industries or occupations.

We do not need to be ashamed, Mr. Chairman, of the way we have handled the agricultural phase of our man-power problem. Rather can we feel satisfied with what has been done. Many of the criticisms which have been made during discussions of farm labour have been based on what some hon. member has heard, or on some letter which he has received, or on individual circumstances which have come to his attention.

We must view the agricultural labour problem as a national one, and as part of the total war effort of this country. Also we must appreciate that we can point to a record of achievement all over Canada in farm production which has even exceeded the fondest hopes of my colleague the Minister of Agriculture.

Some hon. members criticize the government because men and women have been allowed to leave the farms for service in the armed forces or to work in war industry. If we had not permitted this exodus from agriculture, the man-power resources of this nation would not have been used anywhere nearly as effectively as they have been used.

Coincident with the drain of man-power from agriculture during each year of the war, production on our farms has continued and is still continuing to soar. This actually represents a great increase in the efficient use of our man-power, when we find fewer people doing more work.

It is true, Mr. Chairman, that older people on the farms have been working harder than ever before. It is true that some farmers have been labouring under the additional difficulty of being unable to secure what new mechanical equipment they may need. It is also a fact that their task has been made harder by many war-time restrictions which they find irksome and annoying. But Mr. Chairman, is not this evidence of our waging total war? Can any of us escape this, should we want to, if we mean what we say when we ask for an all-out effort? Let us be frank and honest about this question. We should be working harder, we should be tired, we should be working under added difficulties if we truly are engaging in total war. Farmers knowing this have attained a very high standard, one at which we might all well aim.

While my colleague the Minister of Agriculture is more familiar with the detail than I, we find that in this fourth year of war, more dairy products are being raised than

ever before, larger numbers of live stock are on farms than ever before, greater flocks of poultry are being kept than ever before.

According to the bureau of statistics "Intentions to Plant Survey", farmers planned this spring to sow more acres to field crops than ever before. It is true that in many areas farmers' plans have been seriously disrupted by the weather, and, regrettable as it is, hon. members cannot hold me responsible for much of the land being under water for the whole month of May.

Mr. GRAYDON: We will let you off on that.

Mr. MITCHELL: Thank you, but that is about the only thing you will let me off on.

Mr. HANSON (York-Sunbury): You always take the credit when there is a good crop.

Mr. MITCHELL: What our farmers have done is to produce more and more with fewer people. This record of achievement by our farmers, their wives, their children, and their hired men and women will be read some day as one of the glorious chapters in our history. I should like as Minister of Labour to pay special tribute to the hired men and women on the farms. They are too often forgotten in plans for social betterment. Their lot is not an easy one or an exciting one. They are doing a grand war job to-day for this nation.

May I say this to my hon. friends, that when Mr. Churchill gave his rallying call to the British people when they had almost nothing left to fight with but their bare fists, he did not set up a wailing wall but gave them leadership.

Mr. HANSON (York-Sunbury): That is what we have never had here.

Mr. MITCHELL: Oh yes, and I think it is proven conclusively by the figures I have given on the farm situation. You cannot expect our farmers, if they are approached in a negative way, to rise to the occasion when a special effort is required, any more than you can expect it of people engaged in any other industry.

Men and women have left the farms by the hundreds of thousands for the armed services and war industries. Those left at home have done and are doing a bigger job than ever.

I have not said these things, Mr. Chairman, to suggest that all is well and that there is no problem on the farm labour front. We know that this problem is great and full of difficulty. But I do implore members of this house to examine and discuss this problem from a national viewpoint, and to consider it as part and parcel of the total war effort of this nation.

Neither would I wish it to be inferred from what I have said that we could go on for ever taking more people out of agriculture and still go on producing more and more. We obviously could not. It is more than a year ago since the government took steps to protect the agricultural labour supply by placing restrictions in the way of men and women leaving agriculture for other civilian employment. It was evident at that time that such restrictions were necessary if our war effort was to be kept in proper balance. The reasons were made abundantly clear by the Prime Minister in his address to this house in March, 1942, on national selective service policy. As we have progressed and have gained experience, amendments have been made to the original order, so that the effectiveness of the agricultural freezing regulations would be increased.

If any hon. member who is a farmer is sceptical about our meaning business in the administration of this feature of our regulations, he might go into an employment office and try to get a permit to leave agriculture. That is the best test, I think, of the effectiveness of the policy. Undoubtedly there has been some evasion of this regulation. Even to-day there will be individual cases of men getting away from the farms when they should have been refused permits. But in the main, this policy has proven effective. It is safe to say that there are thousands of men and women now in agriculture who would not be there now had this regulation not been administered in a resolute way.

In stabilizing labour in agriculture the government had to face the fact that during some periods of the year farm man-power can be more productively employed elsewhere. Our civilian man-power regulations enable a person, under certain conditions, to accept employment in another essential industry when he can be spared from agriculture.

But selective service went further than merely enabling such persons to take other work. It undertook an intensive appeal last fall to all farm workers not needed in agriculture during the winter months to work in other essential industries. In particular they were urged to go to logging, saw mills, coal mines, and base metal mines, where men were urgently needed.

This appeal was the first large scale attempt by national selective service to direct man-power from one industry to another. Its success was due, to a large extent, to the excellent cooperation we received from the interested provincial government departments. As a result of it, farm man-power which might otherwise have been relatively idle helped to meet the growing shortage of labour in these other strategic wartime activities.

The following table shows the distribution of temporary permits issued to farmers by regions, as at May 27, 1943, and the number of permits which were actually cancelled in order to ensure return to agriculture:

Province	Male	Female	Total	Permits cancelled
Maritimes...	16,379	368	16,747	2,805
Quebec.....	38,428	1,149	39,577	1,394
Ontario.....	27,187	1,907	29,094	8,397
Prairies.....	15,043	482	15,525	8,822
British Columbia..	3,782	18	3,800	2,542
Total....	100,819	3,924	104,743	23,960

It will be seen that the number of permits cancelled falls far short of those issued. The great majority of these did not require specific cancellation because the farmers returned to agriculture on their own account before or at the time when the permits expired.

The main reason for this as given by our offices was lateness of the season in many areas when return of men to the farms at the expiry date of the permits would have resulted in wasted time. There were a few permits not cancelled for reasons of health, on compassionate grounds, or because of the extreme importance of the work being done at the time of the expiry date.

Altogether it has been estimated that 175,000 from farms worked in other industries during last winter. The table shows that only 104,819 temporary permits were issued. The difference is explained by the fact that many working in other industries outside of urban centres were employed for less than sixty days. Under these circumstances permits are not required under our civilian regulations. I am sure hon. members will agree that this seasonal movement of man-power between industries is sound, and in keeping with climatic and economic conditions in this country.

Mr. HANSON (York-Sunbury): It always has been.

Mr. MITCHELL: Yes; I have just said so. But it has to be given direction. My hon. friend will agree with me in that. There has admittedly been some loss of workers but in so large a movement as this, there are bound to be some errors of judgment. In the main the policy has worked well and is now being closely integrated into our whole labour programme. This I submit is making selective service work.

I would like now to refer for a few minutes to the selective service mobilization regulations affecting agriculture. In March, 1942, these regulations were amended to strengthen the policy of stabilizing employment in agriculture. This amendment incorporated a provision for the postponement of farm workers distinct from the method to be used in granting postponements to all other workers, no matter how high the priority of their work might be.

The new regulations provide that on receipt of an application from a farm worker, the mobilization board was required to grant postponement, "until further notice" unless the board was satisfied that the worker was not essential to agriculture. In other words, the boards must prove that farm workers are not essential whereas in the case of all other workers they themselves have to prove to the boards that they are essential. Essential farm workers get postponement "until further notice", while postponements for all other workers at present are for not longer than twelve months for the first call, and for not longer than six months for subsequent calls.

We freely admit that there have been individual cases decided in such a way as to merit criticism. More might have been done to make clearer to the farmers themselves the significance of the special provisions in the regulations which affected them.

An hon. MEMBER: Agreed.

Mr. MITCHELL: I am glad someone agrees with something I have said. It should be said, however, that in connection with our appeal made last fall to farmers to work in other industries during the winter months, if they could be spared from agriculture we distributed very widely a copy of a little pamphlet called, "A Message to Farmers." This book explained the farmers' position in respect to military postponement and that their status would not be affected if they engaged in essential work away from agriculture during the seasons of the year when they could be spared.

But again, Mr. Chairman, we must not base a final conclusion, as to the efficiency with which these regulations have been administered, on individual cases without at the same time examining the over-all result. Before May, 1942, 23·4 per cent of the applications for postponement for farm workers were refused. Out of 20,887 applications only 15,996

were granted. Since May 1942, only 9·9 per cent of the farmers' applications for postponement were refused. There were 93,900 applications up to April 16, 1943 and 84,595 were granted.

It must be remembered that the basis for granting or refusing postponement for agricultural workers making application is essentiality to agriculture. There is no blanket postponement for farm workers. Since the interpretative letter was sent out on February 1, 1943, a decided improvement has resulted. As evidence of that improvement, I wish to quote a few excerpts from communications which I have received recently from provincial ministers of agriculture. Hon. members opposite from Saskatchewan have perhaps been most vocal in their criticism of this particular question; and I am not quarreling with that.

An hon. MEMBER: We have reason to be.

Mr. MITCHELL: I said I am not quarrelling with that.

Mr. GRAYDON: That makes it unanimous.

Mr. MITCHELL: My hon. friend is making it unanimous?

Mr. GRAYDON: I said you two had made it unanimous.

Mr. MITCHELL: I say, as evidence of the improvement I wish to quote a few excerpts. Perhaps hon. members will listen carefully as I quote an excerpt from a telegram dated May 19, which I received from the Hon. J. G. Taggart, Minister of Agriculture in Saskatchewan.

Mr. GRAYDON: We can take that as read.

Mr. MITCHELL: I quote.

Clarification of mobilization regulations has greatly assisted agriculture—

My hon. friend says we can take that as read. I think the vindication of this telegram is in the fact that the whole of the wheat crop in Saskatchewan is under the ground, and that, in addition, they took off three million acres left over from last year. There is the vindication.

An hon. MEMBER: They don't like to hear the truth.

Mr. MITCHELL: I have just told them the truth. I was in close touch with the situation last fall and it gave me a great deal of worry, but unfortunately I could not control the weather.

Mr. HANSON (York-Sunbury): That is too bad; you control everything else.

[Mr. Mitchell.]

Mr. MITCHELL: May I read the telegram:

Clarification of mobilization regulations has greatly assisted agriculture. Postponements granted since February 1st major factor in seeding crops on farm affected. I believe present policy will result in labour being generally available for year 'round work but severe shortage at harvest time possible.

Several hon. members from Alberta have complained about the performance of the board in that province. Yet, since March last year, 96·3 per cent of applications from Alberta farmers for postponements were granted. This figure speaks for itself.

The Minister of Agriculture for Ontario, Hon. P. M. Dewan, wrote to me on May 22. The following is quoted from his letter:

Clarification of the mobilization regulations has assisted very materially and latterly it seems to me the boards have done a very excellent job with reference to applications for deferment for farm boys.

The premier of Quebec, the Hon. Adelard Godbout, stated in his telegram, dated May 21:

. . . Expect great help will derive from clarification of mobilization regulations.

An hon. MEMBER: These are all from Liberals.

Mr. HANSON (York-Sunbury): Were these telegrams solicited or were they voluntary? It all depends.

Mr. MITCHELL: I will let my hon. friend answer that.

Mr. HANSON (York-Sunbury): I assume they were all solicited and all from political friends just to help the minister out. You know how the game is played.

Mr. MITCHELL: My hon. friend should know how the game is played.

Mr. HANSON (York-Sunbury): Yes, you bet I do. I am not denying it, and you should not either.

Mr. MITCHELL: The premier of Prince Edward Island, the Hon. Walter P. Jones, states in his telegram:

. . . clarification of mobilization regulations assisting agriculture.

We have in the past checked and will continue to check individual complaints, but I believe I have submitted evidence to prove that these regulations are being administered in a manner which should result in general satisfaction so far as agriculture is concerned.

I announced our farm labour policy in the house on February 26. One of the main features of that policy was to extend the basis of cooperation with the provinces, with farm

organizations, and with local agricultural committees. Three weeks after that policy was announced, every province had been visited by officials of the Department of Labour.

Mr. HANSON (York-Sunbury): Has the minister left the telegrams? Has he read all the telegrams he intends to read from ministers? I ask because I want to request the production of telegrams from ministers to the provincial authorities, to which these are answers.

Some hon. MEMBERS: Order.

Mr. HANSON (York-Sunbury): Yes, we are entitled to have the whole correspondence.

Mr. MITCHELL: My hon. friend is a grown-up man like myself, a member of the House of Commons, and he knows that all he has to do is to ask for that and he will get it under the rules of the house.

Mr. HANSON (York-Sunbury): I am asking for it now so that it will be available for this debate.

Mr. MITCHELL: Discussions were held with provincial agricultural authorities as to the best plan for united action. Farm labour agreements between the dominion and each province have now been negotiated and completed. Local, county, parish, township or municipal committees are now set up all over the country. Active farm labour programmes are under way. No province is excepted.

On June 3 I reviewed the substance of telegrams and letters received from the provincial ministers of agriculture. This can be found on page 3321 of *Hansard* and I will not take time to review these again, only to say that, without exception, the provincial agricultural ministers reported progress and expressed appreciation for the action taken by and the cooperation received from the Department of Labour.

Our farm labour policy provides for the payment of transportation of workers recruited for farm work so that they can be readily moved to where they are needed. This feature is written into all of the agreements. The policy also makes provision for the use of all miscellaneous sources of farm labour, such as conscientious objectors, prisoners of war, treaty Indians, high school and university students and women.

Mr. HANSON (York-Sunbury): Not Doukhobors?

Mr. MITCHELL: Well, we will come to that, too. Of course I shall hear from my hon. friend about Doukhobors.

Mr. HANSON (York-Sunbury): The minister will hear from my hon. friend to my left.

Mr. MITCHELL: Over three hundred treaty Indians were recruited this spring to finish the threshing in Alberta. Word has just come to us from Manitoba that about one thousand will be working on farms in that province during the summer and harvest time. Recruiting of women and student help is active in practically all provinces. Our universities deserve the nation's thanks for the way they have cooperated with your government.

One of the main objects of our compulsory employment transfer orders is to supply experienced help to farmers. Instructions have been sent to employment offices that single men, in the industries affected, who have had experience in farm work and who are physically fit, are to be directed to farms.

We know that the farm labour problem will never be completely solved so long as this war continues. If it were solved to the satisfaction of everybody, we could probably be properly accused of not using our man-power with the maximum degree of efficiency in an all-out war effort. Everything that we can conceivably do, and wisely do, will be done to assist farmers in securing help. Our efforts will not be relaxed.

As of May 25 last mobilization boards had postponed 4,747 men as Mennonites, Doukhobors or conscientious objectors. On May 1 the employment of men thus postponed was placed under the direction of alternative service officers attached to the employment offices of national selective service. The mobilization boards no longer direct the placement of the men they postpone as conscientious objectors. As of May 1 ,1,270 men were located in camps. Some 500 of these are under contract with the British Columbia government and are engaged in essential work on Vancouver island and the mainland. The remainder, approximately 770, were located at various points from Ontario west. Some think that these men should be placed elsewhere, especially in agriculture. They have been engaged in the production of wood, lumber and pit props for coal mines, and, quite aside from their essential forest fire protection activities on the Pacific coast, they have produced much needed lumber and fuel, both of which items have the highest priority. In any case, it is essential to maintain camp organizations for those who are either unwilling or not well trained to undertake useful work on farms or in industry.

Prior to May 1 mobilization boards had returned some 1,200 men from camps almost entirely to agriculture, and since May 1, approximately 250 men have been returned from camps, other than those on the Pacific coast, to agricultural employment, and an additional 50 men still in camps have started the production of pit props for coal mines in Alberta and British Columbia under our coal expansion programme. The number of men at camps has been reduced to a minimum, and, while individual cases may be dealt with, it will be necessary in future to place as many men in camps as are removed. An approximate summary of the position at the moment is that some 900 conscientious objectors are in camps with 500 of these especially engaged in Pacific coastal protection work under contract arrangements, leaving about 400 men located at seven interior camps from British Columbia to Ontario, making the average per camp about 60.

Considering the general distribution of conscientious objectors, approximately 3,807 are engaged in essential work—almost entirely agriculture—under the direction of alternative service officers, in addition to the 900 employed in essential work in camps. The idea that a large supply of labour for agriculture exists in the camps must be discounted, and I would like to point out that many more requests for the employment of conscientious objectors in agriculture and in industry have been received than can possibly be filled.

With regard to the distribution of conscientious objectors, mobilization divisions "A", London, and "J", Winnipeg, contain the largest number, and it is fair to say that they originate on farms where intensive agriculture is the rule. The number of conscientious objectors postponed in Quebec and the maritime provinces is small, and I believe not more that 50. During May one quite large camp in Ontario was closed, and 174 men were transferred to employment on farms and to the sugar beet area surrounding Chatham. In Manitoba also an effort is being made to organize the employment of conscientious objectors in such a way that the seasonal requirements of sugar beet production can be met.

It has been suggested that conscientious objectors be used in various industries where labour in scarce or in hospitals where it has been most difficult to maintain a supply of orderlies and other help or that there are a number of conscientious objectors who possess professional training or educational qualifications that are being wasted. A detailed examination does not support many of the suggestions made, and it is either not practical or in the national interest to meet some of the proposals put forward.

Among the whole group there are a few university graduates—

Mr. NICHOLSON: How many?

Mr. MITCHELL: Just a minute—as far as I am aware not more than ten, and efforts are being, and will be, made to place such men to advantage. However, even here there are difficulties since these men are not always prepared to undertake war work, and it is increasingly difficult to avoid doing so under the present conditions.

It should be remembered that the great majority are best fitted to undertake farm or camp work. A few hundred are not especially equipped, physically, mentally or by experience, to undertake hard work of any kind.

Where it is possible to place an individual to special advantage, whether it be in a hospital or in an industry, an attempt will be made to do so, I am sure, by alternative service officers, but sweeping generalities that do not take into account the numbers of men involved or the actual individual problems that must be met are not especially helpful to those charged with this responsibility.

To sum up, I am satisfied that agriculture is receiving distinct benefits from the utilization of the labour of conscientious objectors, and that the work being done in camps is valuable as measured in various ways including the amount of lumber, pit props and wood produced.

By closer direction and more detailed planning it may be possible further to increase the value of the work done at some camps or transfer a few more men from camps to seasonal work in agriculture, but on the whole the position with respect to this matter is good and is well organized.

I would like to say that, however much anyone may differ with the point of view or the religious beliefs of conscientious objectors, it would be difficult to complain of the amount of work these men are prepared to do or the enthusiasm with which they undertake it, especially when you consider that while engaged in camps they receive $15.00 per month plus board and lodging and while working outside of camps they receive $25.00 per month plus board and lodging. The balance of their earnings goes to the Canadian Red Cross Society as stipulated in order in council P.C. 2821, and since their employers must pay going wages although the men do not receive the benefit, their financial contribution to this good cause is considerable.

By order in council 2326 of May 10, 1943, we have decided to make use of the services of prisoners of war. We hope to employ many of them in selected types of agricultural work, in wood-cutting and mining. Hon. members will understand that use of these prisoners involves measures for public security and discipline of the prisoners. But the number we are able to use will be that much help in easing our problem.

Mr. GREEN: Would they be Germans or Italians, or both?

Mr. MITCHELL: All nationalities. Already we have some Germans working in the beet fields of Alberta. The employable men and women among the 21,000 Japanese evacuated from the protected area of the Pacific coast are being gradually placed in employment wherever they will be of most use in the war effort.

The production of foodstuffs has absorbed many thousands of these people, and will absorb many more this season. In every province from British Columbia to Quebec farmers are applying for Japanese labour, especially in regions where they proved themselves in this work last year. Our present sugar ration is partly dependent on the labour of 4,000 Japanese in 1942 and again in 1943 in the sugar beet areas of Alberta, Manitoba and Ontario.

The fruit growers of British Columbia and Ontario are using several hundred Japanese, and want many more this season. Over a thousand Japanese were employed last year in British Columbia, Alberta and Ontario in raising cannery crops—tomatoes, corn, beans, peas, etc.—and in the actual canning operations. Market gardeners, especially in southern Ontario, have found them very efficient labour. Dairy, poultry, tobacco, and grain farmers are applying for Japanese farm hands, and are finding them industrious labourers. In all, between 5,000 and 6,000 Japanese men, women and children are now working on Canadian farms.

In lumbering and fuel-cutting the Japanese are also filling an urgent need for labour. During the last winter, almost one thousand Japanese men were employed in logging camps and sawmills from the interior of British Columbia to northern Ontario.

A plan is now being developed between the Departments of Labour and of Munitions and Supply to use most of the remaining employable men in the Japanese housing centres of British Columbia in cutting fuel wood for the British Columbia market. Both lumbering and fuel-cutting operations using Japanese labour will be expanded during 1943.

Some 800 or 900 Japanese men are being used to build British Columbia highways of strategic and national importance.

In a wide variety of less important occupations, Japanese are proving themselves useful —as domestics, cooks, gardeners, restaurant workers, tanners, dry cleaners, truck drivers, construction workers, etc.—and, are satisfying the public requirements for such services, in various parts of Canada.

I have mentioned our system of priorities for labour. Classification, I think everyone will agree, is absolutely essential for the allocation of man-power to its most effective uses in the war effort. The minister's authority to classify industries, etc., is exercised by the labour priorities division in the labour supply branch of the Department of Labour. Consultation with the Department of Munitions and Supply and wartime prices and trade board is provided by regular meetings of an informal committee on labour priorities. A carefully worked out analysis of Canadian industries has been prepared as an industrial classification manual by the statistics branch of the Department of Labour. This manual serves as the basis on which industries are selected for designation with respect to essentiality. All industries are given one of four labour priority ratings, "A" meaning very high; "B" meaning high; "C" meaning low; and "D" meaning no labour priority. Occasionally the priority rating of an industry for men is different than for women.

On application to the priorities division and on recommendation of various associations and governmental departments, individual firms are considered by the priorities committee for special ratings. Members of the committee investigate the authenticity of claims and, where justified, the firms are specially named with a rating other than that of their ordinary industrial classification, depending on the proportion of essential production carried on by the firm.

Each local employment and selective service office is provided with, (a), an industrial card index which consists of a card for each industrial classification, showing the labour priority rating for the industry, and in some instances key occupations in the industry; (b) a list of named firms, which includes those establishments and construction projects which are considered individually by the priority committee and are assigned special ratings other than those of the industries under which the firms are classified.

Local offices are advised at once of priority revisions by the labour priorities division, after consultation with interested departments. On receiving an order for labour, local office officials decide the applicant's

priority rating by reference to this industrial card index or list of named firms. Available labour is referred to the highest priority vacancy for which it is suitable or qualified.

The movement of man-power between and within priority groups can be and is being checked by the quarterly employment survey report. The industrial classification manual is used as the basis for these reports.

There are of course frequent changes in our war production programme, and because of this our priority schedule is subject to revision from time to time. But generally speaking we have a good priority picture for our available labour.

Not long ago a report of our employment service division on unfilled job vacancies and unplaced applicants led to some criticism that we were not meeting the demands of vital operations. The report was based on information which is kept in our employment offices. The likelihood is that few of those listed as unplaced had been idle for long and that they would be referred to jobs within a matter of days from issuance of the report. There always are some not qualified to fill vacant positions or who are remote from suitable vacancies. It takes a little time to fit them into the most suitable places.

The figures of available jobs also need explaining. Employers are asked to estimate their requirements for a reasonable period ahead. Some are very generous in such estimates, not wishing to be short when the time of need is reached. These "deferred vacancies" inflate the figures and suggest an immediate shortage which does not always exist.

I would like the house to remember that the labour department is handling a placement undertaking in which we have had only about two and one half years' experience. Britain benefits by having placement machinery of thirty years' testing—the United States ten years.

The entire system of employment and placement has been revolutionized. The absolute freedom to seek employment and employees has been changed to a system of controlled placement through government agencies. It is to the credit of our working people and the employers that this necessary imposition of control has been accepted willingly and has met with full cooperation. The work of selection and placement may not be perfect but, as I have said, Canada was comparatively inexperienced in an undertaking of such magnitude.

The work of our employment and selective service offices steadily has improved and labour given increasingly effective direction to the most essential jobs. The volume of business of our employment service has increased 500 per cent within a year. The average weekly number of vacancies reported is 50,000 and slightly more than 50,000 applicants are registered and slightly less than that number referred to the vacancies.

When military men in the committee are told of the magnitude of the placement machinery to take care of 50,000 people, they will understand the problem confronting us, and more particularly that which has confronted us in the last six months.

Shortage of men in the base metal mines has been met by the transfer of gold miners. Employees of paper plants where operations were curtailed were also diverted to base metal mines. Halifax freight handlers were used in slack periods in fish processing plants. In British Columbia we dovetailed vegetable and fruit canning with fish canning.

Selective service has given special attention to the supply of men for lake navigation—realizing its importance in our war-time transportation.

We have done everything possible to see that more women were employed in war industries, and recently we undertook through our employment office to point out to women and girls the attractions and value of service with the armed forces. Between February 22 and April 29 our staff interviewed 12,815 women and 1,420 were referred to the armed forces. There were 10,917 who were not interested in this branch of the war effort. The number of women referred to vacancies other than the armed services—in the same period—was 87,825.

For the mother who must go out to work, the care of her children is a vital and often distressing problem. Her peace of mind requires assurance that the smallest children are in safe hands throughout the day and that the older ones have supervision after school hours. Only then can she give her mind fully to the job in hand. Some mothers have relatives or friends who can take care of their children during their absence but with the rise in the employment of women, this type of care often fails and time is lost while the mothers make other arrangements.

With these facts in mind the agreement on the day care of children was drawn up and is now in force in the two most industrialized provinces, Ontario and Quebec, and in both, provincial advisory committees have been set up. Committees, both provincial and local, are established on the same basis and include representatives of family and child welfare, labour, health and educational organizations

or authorities. Operation of the plan is under provincial direction, subject to the approval of the dominion government.

We now have fourteen nurseries, six in Toronto, four in Montreal and one each in Brantford, Oshawa, St. Catharines and Galt. There also are five after-school supervision projects in Toronto and one in Hamilton. The programme will be developed as the needs grow. Plans for nine after-school supervision projects have been approved. Plans for eighteen additional nurseries have been developed.

Mr. NICHOLSON: How many children are being cared for?

Mr. MITCHELL: I shall answer the hon. member when we reach the discussion stage. If I gave all the figures I have in my mind I would be here until Christmas. But I shall be glad to try to get the specific information my hon. friend wants.

Attendance must be maintained at a monthly average of not less than twenty per day, but it is unlikely that the numbers will fall below this level. Where fewer than twenty are to be cared for, arrangements may be made with local child caring organizations on a unit cost per day per child basis. Children may be admitted to any project whose mothers are working in non-war industries, provided that the total of such admissions does not exceed at any time twenty-five per cent of the approved maximum capacity of the unit and provided also that there are no unfilled applications in the hands of the committee for children of mothers working in war industries. This term "war industry" has been given a wide interpretation under the agreement and provides for many categories of workers.

The standards set up for war-time day nurseries were given very careful consideration by a committee representative of health, child welfare and education.

The dominion-provincial agreement in addition to day nursery care, provides for the sharing of the cost incurred in providing for the care of the school child. Care would include the provision of a hot dinner at noon with milk and biscuits before and after school and supervised play or handicrafts in the hours before and after the regular school day.

Last September we held a special registration of women, ages 20 to 24, and more than 258,000 registered. Of that number 58,000 were willing to take full time jobs and 23,000 part time work.

In the past twelve months about 426,152 women were placed in jobs by our employment offices. The number engaged in war work increased from 95,000 in February, 1942, to 248,000 at the present time. There are localities where the number of women prepared to work is greater than the demand. Through the diversion of men to more essential work this idle surplus will be reduced.

If I had unlimited time I would amaze this house by reciting the occupations in which women are now employed. I will simply mention that they are now employed in saw-mill operations, in the delivery of ice, in surface operations at the International Nickel Company's mines, and we are to use them at surface work in our coal mines.

As the war progresses there are changes in production requirements, greater emphasis being placed on the importance of a particular type of output by the war plants.

When selective service began just over a year ago the estimated man-power requirements for the ensuing twelve months were 100,000 for industry and 193,000 for the armed forces, a total of 293,000. In the twelve months, March 1, 1942, to March 1, 1943, the strength of the armed forces increased by more than 220,000 and the number of persons in war plant production and associated industries rose by 320,000. Hon. members will appreciate the problem created by this shift of so many from civilian jobs to the armed forces. I suggest that in some small measure this is an indication of the willingness of the people of Canada to lend their aid in these difficult times for the advancement of the war effort, in the broadest possible sense. It is to some extent a refutation of the criticism that has been made that we have a man-power muddle in this country. When you move 320,000 men and women, with all the detail that involves, into industry in a country the size of Canada, I think it must be agreed that in its very essence that is a gigantic undertaking.

During the twelve months following April 1, 1943, it is expected there will be a net increase of 127,000 men and 24,000 women in our armed forces, a total of 151,000.

Due to the successful conclusion of the Tunisian campaign and the consequent readjustment in our production programme of which the Minister of Munitions and Supply recently spoke in this house, it is not possible to give you a precise estimate of the man-power requirements of our war industries for this fiscal year. As of last February, however, the programme called for an increase of something like 20,000 men and 60,000 women in war plant production and associated industries.

The number engaged in agriculture will be maintained at a better level than heretofore through the exercise of our permit control system.

To meet the male man-power requirements, some will be obtained by a reduction in the number of those temporarily unemployed and of students. The natural increase in the adult population will provide about 55,000. The balance will be met by a curtailment of employment in the less essential industries and services.

Of the women needed for the armed forces and for essential industry, the large part will be obtained from the natural increase in population of about 60,000. We cannot expect to get a great many from less essential industries and services because preferably we shall take men from these fields. Therefore we must look to housewives and others not now working in urban areas to fill the gap.

I would like to emphasize to the committee that the figures I have given are net. Because of discharges and casualties the armed services will require a higher gross total of men and women.

Industry also, because of labour turnover and transfers from war production to the armed forces, from civilian to war production, will need a higher gross total. Selective service is confident of meeting these needs if the present trend of replacing men by women and girls in civilian employment continues and there is the necessary reduction in the less essential industrial and business operations.

As I have indicated, the more serious labour shortages are in mining, agriculture, logging and other primary industries. The jobs largely demand able-bodied men. The work is heavy. We are doing our best to solve the problem.

With the cooperation of the armed forces and industry and through our plan of compulsory transfer of men, the situation, I am sure, will be eased.

National selective service-mobilization regulations provide:

> that any employer may submit, at any time, for consideration by a mobilization board, a plan for the postponement of the military training of any group of its employees and a mobilization board may instruct any employer to submit such a plan if in its opinion such action is advisable.

Out of this provision we have developed not too recently an industrial mobilization survey plan. Basically the plan is to facilitate the orderly withdrawal of replaceable workers from essential industries into the armed services and to provide for their replacement with the least possible disturbance to production. The survey requires the employer to report all employees, of military age, along with a description of the work they are doing and the length of time required to train replacements, particularly stressing the use of women.

The mobilization survey plan is reviewed by a local committee, located at each of the mobilization board centres. This committee is composed of a technically qualified chairman, familiar with modern production methods and a knowledge of the various skills and trades. Other members are, namely, a representative of the employment service, mobilization board, and the particular department of government involved. A plan, after passing through the committee is submitted to the mobilization board for approval; if approved it becomes an official schedule by means of which the employer is advised of the order in which his employees will be called.

Without going into details, I think the members will readily appreciate that any survey of this sort is also of utmost value to the employment service; first, to acquaint them of the employers' need for replacement; second, to inform them of any surplus labour.

It will be readily seen that the plan coordinates in a functional manner those agencies or departments of government most vitally concerned in a concerted effort.

The industrial mobilization survey has progressed to the point where we have a factual picture of fifty-eight companies, engaged in war production, employing a total of 81,070 people—of which 55,083 are men and 25,987 are women. Of the total number of men employed it was found 13,689, or 24·8 per cent were within the designated age classes, subject to military training. It should be borne in mind that a considerable percentage of those subject to call are medically unfit. For the fifty-eight companies referred to these surveys show 1,464 men in the designated age classes can be replaced by women. They also indicate a total of approximately 6,913 men have enlisted in the armed services.

Some of the plants show a high percentage of women employed. One in Toronto, the General Engineering company, had 2,848 women out of a total of 4,382, and only 114 of the men were subject to military call-up. This will give hon. members some idea of the manner in which we are combing out industry for men for the armed forces and for transfer to more essential or other industries.

The John Inglis Company at Toronto, with 16,491 employees, had 7,493 women and 8,998

men, with 2,080 of the men subject to military service. The survey to date appears to represent a fairly good cross-section of the industrial set-up.

Man-power of course is not indicated entirely by the number of men employed. The continuity of work and the production per man day are important aspects.

I am glad to tell the committee that labour turnover has shown a great improvement. In shell filling operations based on total payroll, the percentage was 9·2 in July, 1942, and 5·7 in February. 1943

Other changes in the same period were:

Aircraft—6·6 to 4·3.
Steel and base metals—6·3 to 5·0.
Automotive—7·5 to 4·7.
Tanks—3·6 to 2·3.
Small arms—7·0 to 5·3.
Explosives and chemicals—8·4 to 4·9.
Small arms ammunition—5·2 to 3·3.

From August, 1942, to February of this year the general change for all reporting firms was 8·3 to 4·8, or close to 50 per cent betterment. I think this has been largely the result of the mechanics of selective service and, of course, the permit system which goes along with it.

There has been some instability in the general labour situation, but as I have said before it is a natural condition in war time and under the high pressure of war-time industrial operations. There are different situations arising requiring different conciliation approaches, and I am not one of those who feels that by a simple statement of labour policy the millennium will be reached. They have the Wagner act in the United States, a national labour relations board, a national war labour board, and still there are industrial disturbances in the country of our good friends to the south of us. There must be more give and take on the part of employers and labour, a greater appreciation of the fairness of arbitration, and acceptance of the results of arbitration.

Recognition of the rights of labour to organize for collective negotiation of agreements is fundamental in a democracy such as ours. But we need more recognition of the responsibility which rests on both partners in industry.

It has been suggested in various quarters that the government has not made use of the experience and counsel of representatives of organized workers in matters touching Canada's war effort, particularly where the welfare of the workers is involved. I wish to refute this charge. I shall show that it has no foundation whatsoever in point of fact.

Connected with the Department of Labour, national selective service, the unemployment insurance commission and the national war labour board, are eight national councils, committees or boards, on all of which organized labour is represented. I might add that in and about the Department of Labour we have no boards or committees—except those which by their nature are restricted to our own officials—without labour representation.

I sometimes think, Mr. Chairman, particularly as regards national selective service on the employment side and on the conciliation side, that we have possibly taken too many men with stability and leadership out of the labour movement. I sometimes wonder whether it would not have been better to leave them where they were so that they could give the necessary leadership and stability that is required in an expanding industrial labour organization.

Mr. GRAYDON: Does that apply from the minister down?

Mr. MITCHELL: That may be true too, but I have always had a reputation for stability in my own community anyway, although I will say this to my hon. friend; it is not going to be said about me when this war is over that I sold the Canadian people down the river.

The eight national organizations to which I referred are: National Selective Service Advisory Board; Consultative Committees of the Ministry of Labour; National War Labour Board Committee; Advisory Council to Inter-departmental Committee on Labour-Management Production Committees; Vocational Training Advisory Committee; Unemployment Insurance Commission; Unemployment Insurance Advisory Committee; Unemployment Insurance National Employment Committee.

In addition to the national bodies which have labour representation, there are the nine regional war labour boards, the western labour board, and five regional employment advisory committees, on all of which labour is represented. Further there are some forty local employment advisory committees, all of them with labour representation, to advise in regard to employment matters; and there are thirty courts of referees under the Unemployment Insurance Act, to pass upon insurance claims which are questioned, and also to perform the important function of passing upon appeals taken under national selective service civilian regulations.

In all, therefore, speaking for the Department of Labour and the administrative units for which I, as Minister of Labour, am responsible to parliament, labour is represented on eight national bodies, fifteen regional bodies and seventy local or district committees.

The contribution made by labour's representatives to the work of these various groups is quite invaluable. In all cases the labour representatives take their duties with due seriousness, so that the public interest benefits materially through their work.

To charge that labour is not given proper representation is to ignore the efforts—given voluntarily and without recompense in most cases—of about 300 leading members of the labour movement. I do suggest that for anyone to claim that labour has not proper representation is to do a great deal less than justice to these many conscientious labour people, who are so generously assisting in administration at this time.

Of course there are two great partners in industry, employers and employees, and in every case labour and employer representation on our boards and committees parallel one another. I should add this, that the contribution made by the employers has been of equal importance to the contributions made by the representatives of the employees of whom I have just spoken. We have found that sitting around a common table, confronted with problems of deep import at the present time, these partners in industry do not look so bad after all to each other when they get down to talking together and examining the many problems that confront the ministry of labour to-day. I only hope that when I am finished with my stewardship in this department one contribution I shall have made to the industrial life of this country will have been to bring about cooperation between the representatives of the employers and of the employees in this country in attempting to solve the problems that confront industry at large.

As far as the Department of Labour is concerned, and as far as the government is concerned, we are fully aware of the need of labour representation on various bodies, and I take this opportunity to record our appreciation of the unstinted help we receive from the workers' representatives. In dealing with this matter of labour representation I am referring only to the agencies of government for which I have some degree of responsibility. Labour has representation on a variety of other government bodies, but the summary which I have given does not relate to the situation in general.

[Mr. Mitchell.]

Most valuable assistance has been rendered by the national selective service advisory board. The board was established by order in council P.C. 2254 of March 21, 1942. It then consisted of the members of the interdepartmental committee on labour coordination and the members of the national war labour board.

The board was reconstituted by order in council P.C. 1788 of March 5, 1943, and now consists of five representatives nominated by organized labour, five representatives nominated by organized employers, one representative nominated by organized farmers, one representative of organized veterans, and a number of senior civil servants representing the departments which are most directly interested in problems of man-power, namely, Labour, Munitions and Supply, Agriculture, National Defence, Finance, and the Wartime Prices and Trade Board.

The board meets regularly on the second and fourth Wednesdays of every month and otherwise on special call.

The duties of the board are twofold: First, to bring to bear on all questions of man-power policy and on all major questions of man-power administration the points of view and advice of the interests or departments represented. Since its establishment, no significant regulation about man-power has been issued without prior discussion with, and approval by, the national selective service advisory board. Second, when its recommendations have been approved by the man-power committee of the cabinet and the governor general in council, to interpret and explain the policy thus approved to the interests or departments represented.

In other words, the national selective service advisory board is the major instrument for consultation and collaboration between government, organized employers, organized farmers and organized workers. I have been asked to explain how quotas are set for the call-up by military districts. The question itself is somewhat misleading since we are no longer operating on a district quota basis. The system is as follows: After the cabinet has authorized a given establishment the army requisitions the number of men required by military districts in accordance with the available facilities in its training centres. Those requisitions are transferred to the divisional registrars but are not regarded as quotas since their instructions are to call from within the designated age classes as many men as the machinery will permit.

Originally, since the army quotas were generally based on the population in the military

age groups in each district, the divisional registrars were given quotas based on population. Our present system, however, is to provide that all divisional registrars are calling at any given time from the same age classes. If, for example, the married men aged 19 to 25 are exhausted in one division sooner than in others, that division will not begin calling older married men until the other division has exhausted the younger age class.

On May 26 the hon. member for Lake Centre referred to what he considered an inequality in the percentage of the call-up for men for military service as between the different military districts. The fact that the percentage of enlistments and call-ups are both low in the same district or division would indicate that in such districts there is a higher percentage of men unfit for military service or that more men are required for farming and essential industry, or perhaps both. If the percentages of fit and unfit men were the same and the demands of farming and industry equal in each district or division, the district or division having a high percentage of volunteers would have a smaller percentage liable to the regulations and, consequently, a smaller percentage of men called up. The instructions to all mobilization divisions are to bring the men in the designated classes under the regulations as quickly as possible and to deal with them as rapidly as the machinery available permits. The districts vary in size. Some have greater difficulty in getting accommodation and staff. Therefore, the speed of selection varies, but, in the end, the result sought for is obtained—that is, all men fit for service, in the designated class, who are not given postponement and have not volunteered for service in the armed forces, are selected.

The hon. member for Lake Centre stated that there were some 91,800 Canadians, males, between the ages of 18-38 at present residing in the United States who have not given any indication that they will apply for United States citizenship and asked what was being done to secure the availability for service in the Canadian army of such men.

Canadians residing in the United States are subject to American mobilization regulations. They have the option of electing to serve in the Canadian forces. When a mobilization board has knowledge that a Canadian is residing in the United States the board does not proceed under the mobilization regulations. They are left for disposal by the American mobilization section.

The hon. member for York-Sunbury on the same day said that he had made inquiry as to the basis of allocation of the quota for each military district and to his surprise had found that it was not on the available man-power but on the record of the voluntary enlistments in the district. That is not the case in so far as mobilization is concerned.

Mr. HANSON (York-Sunbury): That was the case as stated by the Minister of National Defence for Air based on the theory of the number of non-permanent active militia units in the different military districts. That is where they got their volunteers and therefore it was on the basis of the volunteers that the call-up was made. I shall argue that question later.

Mr. MITCHELL: In districts where there has been high voluntary enlistment the national defence training facilities would be taxed and the tendency might be to lower the allotment from such a district. That adds up to what my hon. friend has just said.

On the other hand it might happen that a district which supplied a very high number of volunteers in the past might have cleared its training centres and at present have more training facilities available, but these matters would not affect the number selected under mobilization. If there were not training facilities for men selected in their own districts they would be moved to a training centre where there was room.

The committee will bear in mind that call-up of men for medical examinations and military training and service did not come under the jurisdiction of the Department of Labour until December 1. The change became effective through P.C. 10924 of which there have been subsequent amendments.

Mr. HANSON (York-Sunbury): Why was the change made?

Mr. MITCHELL: We followed the British precedent, and we followed a precedent which probably our good friends to the south would like to have followed, and that was to have as much as possible of the man-power of the nation under one tent, if I may put it that way.

Mr. HANSON (York-Sunbury): I have an idea it was because the other service failed.

Mr. MITCHELL: I do not think that is fair. Speaking for myself, I was one who argued that we should do it that way, never thinking that it would land on my doorstep, but it did.

The national war services regulations, 1940 (recruits), were then revoked and the order established the present national selective service mobilization regulations.

Subject of course to the acceptable medical categories and deferments for essential agricultural and other workers, the military call-up at present applies to the following:

(a) Every man born in any year from 1917 to 1924 (inclusive) who has reached age 19.

(b) Every man born from 1902 to 1916 (inclusive) who, at July 15, 1940, was: (i) unmarried; or (ii) divorced or judicially separated; or (iii) a widower without child or children.

(c) Every man born from 1902 to 1916 (inclusive) who has since July 15, 1940, become a widower without child or children now living.

(d) Every man born from 1902 to 1916 (inclusive) who, since July 15, 1940, has been divorced or judicially separated.

I shall table a statistical summary covering mobilization activities under the National Resources Mobilization Act, 1940, for the period March 20, 1941, to April 16, 1943. That is the latest available.

Before the call-up was transferred to the Department of Labour the Minister of National War Services had started an audit of the records of the divisional registrars. This is being continued.

This past winter we required all single men to report who had failed to receive or acknowledge their notices of medical examination, or to present themselves for medical examination. We announced an amnesty to those who complied as required by March 15. This resulted in 144,973 men re-registering, but a considerable number of these cases were men who did not need to do so. However, it did result in accounting for a large number of men who were in default or had been overlooked and has well justified itself. A break-down of the total by military districts is as follows:

London	A	6,174
Toronto	B	24,994
Kingston	C	4,399
Port Arthur	D	4,373
Montreal	E	23,741
Quebec	F	13,507
Halifax	G	9,575
Saint John	H	1,302
Charlottetown	I	593
Winnipeg	J	10,181
Vancouver	K	12,566
Regina	M	24,281
Edmonton	N	9,287
		144,973

Every designated man—single, aged 19 to 40 inclusive, and married, aged 19 to 25 inclusive—except those in the armed forces or on postponement, to whom the regulations apply, will have evidence of unfitness. Through employers and otherwise, we shall therefore, be able effectively to enforce the regulations. Further than that all medical rejections are being reviewed and the majority of men previously certified as unfit for military service are being called for medical reexamination by army medical boards. These reexaminations will be completed in about two months.

Our war emergency training programme, in cooperation with the provinces, has been of substantial assistance in relieving labour shortages, chiefly for semi-skilled jobs and meeting needs of the armed forces. As of March 31 last, nearly 218,248 men and women has been enrolled in the vocational and plant school classes since the beginning of the programme. In quoting that figure, Mr. Chairman, I suggest to hon. members that they look up the same kind of figures for the other united nations and they will find that, in a comparative sense, Canada's contribution redounds greatly to the credit of this country. This training programme has been most valuable to our war effort, and I believe that, as regards the work undertaken in these classes, we as Canadians can almost defy comparison. May I here pay tribute to our industrialists for the part played by them in these training classes which they carried on and which have permitted the erection of the gigantic industrial structure that we have built in the past four years. I would also, of course, express gratitude to the teachers in the schools, to the provincial governments and their officials, and to all those who have spent their time and labour unselfishly in this great cause.

This total included 135,438 trained or training for industry, and 72,810 for the armed forces. There were 30,591 women in the industrial classes.

On May 10 this year an order in council was passed providing for the extension of our war emergency training programme to include the training of secondary school students in farm work with the minimum age of 14 years.

A critical shortage of engineering, scientific and other technical personnel developed because of heavy enlistment in the armed forces. Control of their employment has been exercised through our wartime bureau of technical personnel under the permit system. More than 3,000 technicians were transferred to war jobs in the past year. The bureau was established in February, 1941, and in cooperation with the Engineering Institute of Canada, Canadian Institute of Mining and Metallurgy and Canadian Institute of Chemistry, set up a registry of all scientific and technical personnel in Canada. I would like to record now my deep appreciation of the valuable help given by the

organizations I have mentioned, also that provincial associations of professional engineers and other scientific and technical bodies. They have been most cooperative.

Through government financial aid to deserving students and promotion of summer employment of undergraduates in work which would contribute to their professional advancement we are preparing for future needs of technical personnel.

Our university science students regulations provide that all scientific and technical students must be medically examined and decide if they wish to volunteer for active service in the armed forces as technical officers. If not they must accept such essential employment as the Minister of Labour may require.

As well as endeavouring to keep up a good supply of engineers and other technical men we have also assisted students in medicine and dentistry. All told we have helped 2,022 students; 840 in science and engineering; 439 in training to become teachers; 462 in medicine; 91 in dentistry; and 190 in other faculties.

The government has sponsored short courses at our universities in personnel management. The objective is improved human relations in industry and as a natural sequence, improved production through more efficient use of labour.

As chairman of the industrial disputes inquiry commission when our industrial structure was expanding very rapidly, I personally saw the absolute need of the provision of personnel managers in many of the large industrial companies with which I came into contact. I think it is fair to say, while we have many brilliant engineers, the engineering of men is much more important and, may I say, much more difficult than the engineering of material things. I believe that the courses which have been carried on in our universities in cooperation with labour organizations and employers have been of tremendous assistance in building up this small army of personnel managers which will be of great benefit to our industrial structure not only at the moment but also in the days of peace which we hope are not very far away.

We have conducted job instructors' and job relations' courses and have been ready and willing to adopt any plan which would make our labour more skilled and thus more useful in the war effort.

That is our man-power achievements and programme. Criticize it if you like. But, and I appeal to you in all earnestness, please make your criticisms specific and practical. The problem is a national one, meriting the attention of all serious-minded citizens. Its solution demands the best effort that any of us can devote to it.

I would like to take this opportunity of recording my deep appreciation of the conscientious, efficient work of the staff of the Department of Labour.

With emergency conditions demanding emergency measures, new regulations constantly being drafted, the staff of selective service and our employment service have had a real job to do. They have, in my opinion, done it well.

Too often we heed only the glamorous things; sometimes I envy the ministers of the fighting departments, but we must remember that there can be exceptional devotion to duty in the routine, more or less humdrum tasks of life. So I say thank you to all my staff. I know they will carry on loyally and unselfishly to the war's end.

I also would like to extend my thanks to my colleagues of the government for constant cooperation. The man-power question is one affecting many departments of government. I have been strengthened by the understanding of my colleagues of the task assigned to me.

My colleague, the Minister of Munitions and Supply, in his statement in this house on June 11, set before hon. members the fine record of Canada in the matter of production of implements and munitions of war. Every Canadian will be proud of this record and rightly so. I point out to you that the marvellous achievement was accomplished because of the wholehearted support of the working men and women of Canada in the war effort. It is evidence that the working people have done their full part, which I have stated on numerous occasions in this house and elsewhere would be the case.

At this time, Mr. Chairman, I would like to place on the record the text of the statement which was made by the Right Hon. Ernest Bevin, British Minister of Labour and National Service, at a press conference which was arranged when I visited London last autumn. I think it shows the appreciation in Britain of what Canada is contributing to the common war effort. I quote:

> I would like to say that the British government are very anxious that the press should do proper justice to Canada for the effort she is making in the war.
>
> She came in on the first day of the war and threw in her all and I can tell you, from the man-power side and from the production side, what is very gratifying is that Canada moves very quickly on the basis of the rationalization of arms production; that is to say, we get a

quick and cooperative response whether it is in shipbuilding, aircraft, or anything else, to fit in with the problems we have in this country.

In the discussion that goes on between the Minister of Labour in Canada and myself, and between Captain Oliver Lyttelton and his opposite number, Mr. Howe, in Canada, we are all four of us working very closely together, and now that we are in a tight corner for man-power in England it is a great advantage to us to be able to make the necessary adaptations so that Canada in the design of her war output fits in and dovetails in so well with the strategy of the war that we can get a good deal of relief by the use of man-power on the other side.

I do not think there has ever been a case in which the labour force, the productive effort, of two countries has been more complementary and more helpful.

Our relationships are so good; it is not a question of our telling them or they telling us, but immediately we have to make changes and to go in for this type or that type of production we are able to marry the Canadian effort with our own in such a practical way that it is a tremendous help to the total war effort.

It is not only volume, but it is types, and the quick adaptation of types and as the strategy of the war changes and fresh demands are made upon us, the facility with which Canada cooperates with us is a tremendous asset in this war. I do not want it to be measured merely in terms of volume. You may get a lot of things you cannot use. The essential thing in this business is to get the things you can use and use quickly and to supplement and build up the output of your own arsenal at home.

In the contacts we have had with Canadian ministers, through Mr. Vincent Massey, who has been a tower of strength to this country in the war effort, we have met with ready cooperation and I am very anxious that the proper place should be given to Canada and her contribution to this tremendous struggle.

In that critical period when we did not have very many friends, at least active friends, from 1940 onwards, the weight of the Canadian output and their resilience and turnover to production during that period played a very big part in enabling us to equip the middle east army and equip the forces in this country at a speed much greater than would have been possible if we had not had, not merely the volume, but willing adaptation to the kind of weapons and materials we wanted.

Now, with the loss of a great many of our raw materials, particularly certain types of metals, Canada means salvation to us. The way she has moved her men about in order to increase the output of, say, nickel and raw materials of that character has been a great gain not only to us but to the whole of the united nations and in that spirit I would like Mr. Mitchell to convey to Mr. Mackenzie King and his colleagues what I know is the feeling of everybody not merely in the government but those who have to design and make and deliver the equipment, appreciation of those two factors, volume, and, what has been so vital, I repeat, adaptability, which has fitted in so well with our war strategy.

If you will take that message back I shall be very grateful, a message as coming from all the British people. Thank you very much.

In conclusion, let me emphasize that no matter what any government can do there will be shortages of labour in many essential lines as long as the war lasts. We must be prepared for the need of a greater number of men for our armed forces. This will serve to tighten still more the labour situation at home. It means an increasing responsibility on us remaining at home. Harder work—more and more of our time and energies in a greater share of this fight for freedom.

No matter what is asked of us, it is worth doing and giving. Ours is the easier role. The men who fight and die give the most. So let us all pull together. Have our fighting men proud of the way we backed them up at home.

Now I would like to have the various statistics which I mentioned go on *Hansard* to complete the record.

Statistics on National Selective Service and Man-power

(a) Distribution of Canada's human resources, 14 years of age and over—table and explanation.

(b) National selective service (civilian) operations—separations from employment notified, and permits issued (table).

(c) Placement operations of employment and selective service offices: Table I—application, vacancies and placements, May 1, 1942, to April 29, 1943; and Table II—vacancies remaining unfilled, by industries, as at April 29, 1943.

(d) Numbers directed to employment under national selective service and certain other orders.

(e) Summary of mobilization statistics—two tables and explanations: Table I—Medical examinations, postponements, military training; and Table II—special registrations, prosecutions and investigations.

Items (a), (b), (c) and (d) above are as compiled by Research and Statistics Branch.

Item (e) is as compiled by Mobilization Branch, Department of Labour.

June, 1943.

Distribution of Canada's Human Resources, 14 Years of Age and Over

The table which follows, entitled "Distribution of Canada's Human Resources, 14 years of Age and Over, as at January 30, 1943", undertakes to show a brief classification of the population in the age class mentioned, in relation to occupation.

Sources: Figures used in the table are derived from several official sources, including a survey of employment as at January 30, 1943, made by the Department of Labour; figures compiled by the Department of Munitions and Supply; and figures gathered by the Dominion Bureau of Statistics, through the census and otherwise.

Basis: The following explanations regarding the basis of classification will be helpful in interpreting the table:

1. In section I "Armed Forces", figures used refer to those in the forces on January 30 last.

2. In section IIA, "In Industry", figures given under (a), (b), (c) and (d) correspond respectively to classes A, B, C and D in the labour priorities system. B. "In Agriculture", as will be seen, includes only male agricultural workers, including farm operators.

3. In section III, "Farm Women" are set as a class apart, since much of the work of women on the farm goes beyond ordinary housekeeping duties, especially at busy seasons.

4. In section IV, all students, 14 or over, even though they work during holiday seasons, or engage at part-time work at other times. "Other women (including non-farm housewives)" would be largely housewives, not gainfully employed. Wives in gainful employment are included in II, "In Industry".

5. "(c) Employable men temporarily not at work", includes those seasonally unemployed and those in process of changing jobs at January 30.

Priorities: In examining the table, some of the difficulties of attaining precision when applying priority tables to large numbers of workers, might well be borne in mind. The following illustrations will indicate a few of these difficulties:

Manufacture of a given article for the armed forces would carry a high priority—if for civilian consumption, a low priority. Hence, an estimate of those on high priority work and those in low priority work, within the same plant, must be attempted.

Retail stores in general may rate a low labour priority. If, however, labour shortages threatened to interfere seriously with the distribution of important civilian supplies, a temporary rise in the priority would be indicated.

It is not simple to determine, in all cases, what are "essential" civilian services. Of two services, perhaps one may be dispensed with, providing the other remains: both could be spared only with interference with war production.

Other illustrations might be cited, but the foregoing will serve to emphasize the difficulties in assessing the relative worth in relation to the war effort, of particular lines of employment.

Comparisons: The table makes comparisons for August 31, 1939; June 1, 1941; and January 30, 1943.

[Mr. Mitchell.]

DISTRIBUTION OF CANADA'S HUMAN RESOURCES, 14 YEARS OF AGE AND OVER

(Estimates, given in thousands, are from various official sources)

	August 31, 1939			June 1, 1941			January 30, 1943			Percent total to grand total
	Males	Females	Total	Males	Females	Total	Males	Females	Total	
										%
Total persons, 14 years and over	4,289	4,026	8,315	4,385	4,131	8,516	4,480	4,240	8,720	100·0
*I. In armed forces	10	.....	10	305	1	306	625	20	645	7·4
II. Gainfully occupied—total	3,350	750	4,100	3,333	845	4,178	3,310	1,152	4,462	51·2
A. In industry—total	1,900	750	2,650	1,693	805	2,498	2,290	1,152	3,442	39·5
(a) Directly related to war effort	.....	.....	.....	420	40	460	820	216	1,036	11·9
(b) High priority	.....	.....	.....	.....	.....	.....	683	406	1,089	12·5
(c) Less important employment	.....	.....	.....	.....	.....	.....	295	279	574	6·6
(d) Lowest priority employment	.....	.....	.....	.....	.....	.....	492	251	743	8·5
B. In Agriculture	1,450	.....	1,450	1,220	.....	1,220	1,020	.....	1,020	11·7
III. Farm women	.....	925	925	.....	875	875	.....	830	830	9·5
IV. Not gainfully occupied—total	929	2,351	3,280	388	2,110	2,498	301	1,938	2,239	25·7
(a) Students	.....	.....	.....	288	302	590	261	309	570	6·5
(b) Other women (including non-farm housewives)	.....	.....	.....	.....	1,808	1,808	.....	1,629	1,629	18·7
(c) Employable men temporarily not at work	.....	.....	.....	100	.....	100	40	.....	40	0·5
V. Unemployable, including persons in retirement and institutions	.....	.....	.....	359	300	659	244	300	544	6·2
SUMMARY										
In armed forces	10	.....	10	305	1	306	625	20	645	7·4
Gainfully occupied (civilian)	3,350	750	4,100	3,333	845	4,178	3,310	1,152	4,462	51·2
Farm women	.....	925	925	.....	875	875	.....	830	830	9·5
Not gainfully occupied	929	2,351	3,280	388	2,110	2,498	301	1,938	2,239	25·7
Unemployable	.....	.....	.....	359	300	659	244	300	544	6·2
Total persons, 14 years and over	4,289	4,026	8,315	4,385	4,131	8,516	4,480	4,240	8,720	100·0

* Personnel in the armed forces shows an increase to 696,000 in May, 1943.

N.B.: Analyses not available for entries left blank.

National Selective Service (Civilian) Operations

Separations from Employment Notified, and Permits Issued
September 1, 1942, to May 27, 1943

(Present permit regulations became effective at September 1, 1942)

Separations	Males	Females	Total
Notified by employer	393,979	123,138	517,117
Notified by employee	664,757	252,340	917,097
Total	1,058,736	375,478	1,434,214
*Permits to leave agriculture and to accept other employment (temporarily)	100,817	3,824	104,641
Permits to seek or enter employment	1,552,613	755,582	2,308,195

*Virtually all permits were cancelled or expired and holders returned to agriculture, on resumption of spring farming operations.

Placement Operations of Employment and Selective Service Offices

Table I

Applications, Vacancies and Placements
May 1, 1942, to April 29, 1943

Province		Applications for employment	Vacancies notified	Placements effected
Prince Edward Island	M	5,310	2,724	3,108
	F	2,337	1,077	982
	T	7,647	3,801	4,090
Nova Scotia	M	65,463	75,749	45,462
	F	27,825	24,724	18,360
	T	93,288	100,473	63,822
New Brunswick	M	46,852	54,893	31,768
	F	18,160	15,770	11,638
	T	65,012	70,663	43,406
Quebec	M	451,774	467,135	249,122
	F	174,735	188,200	105,548
	T	626,509	655,335	354,670
Ontario	M	512,903	502,853	343,386
	F	299,952	291,144	198,396
	T	812,855	793,997	541,782
Manitoba	M	82,316	64,810	44,555
	F	53,700	41,363	32,118
	T	136,016	106,173	76,673
Saskatchewan	M	46,780	40,505	26,354
	F	30,645	23,851	18,508
	T	77,425	64,356	44,862
Alberta	M	81,092	73,631	54,511
	F	45,073	34,104	26,292
	T	126,165	107,735	80,803
British Columbia	M	175,719	190,826	124,600
	F	84,994	76,783	55,791
	T	260,713	267,609	180,391
Canada	M	1,468,209	1,473,126	922,866
	F	737,421	697,016	467,633
	T	2,205,630	2,170,142	1,390,499

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Placement Operations of Employment and Selective Service Offices

Table II

Vacancies Remaining Unfilled, by Industries, at April 29, 1943
(All Canada)

Industry	Number of vacancies unfilled For males	For females	Total
Agriculture	4,299	412	4,711
Fishing, hunting and trapping	74	2	76
Forestry and logging	22,141	34	22,175
Mining:			
Coal	2,337	11	2,348
Oil, gas wells and quarrying	333	8	341
Other mining	2,601	66	2,667
Manufacturing:			
Animal foods	1,470	740	2,210
Leather and fur products	1,216	1,299	2,515
Vegetable foods	2,628	1,413	4,041
Other vegetable products	1,296	1,827	3,123
Pulp and paper products and printing	2,618	1,692	4,310
Sawmills	3,116	102	3,218
Other wood products	2,147	729	2,876
Textile products	3,901	8,040	11,941
Iron and its products	23,795	10,924	34,719
Non-ferrous metal products	3,944	1,598	5,542
Non-metallic mineral products	1,828	304	2,132
Chemical products	3,061	643	3,704
Miscellaneous products	808	921	1,729
Electricity, gas and water supply	914	50	964
Construction:			
Building	15,490	140	15,630
Highway	1,754	55	1,809
Railway and all other	1,590	28	1,618
Communication	617	517	1,134
Transportation:			
Air	1,038	192	1,230
Railway (including express)	4,643	248	4,891
Water	2,291	70	2,361
All other	3,786	131	3,917
Trade	8,394	4,882	13,276
Finance and insurance	1,149	674	1,823
Services:			
Business	576	369	945
Hotel and restaurant	3,818	7,760	11,578
Professional and public	6,169	4,114	10,283
Recreational	808	412	1,220
Domestic	373	4,839	5,212
All other	2,741	2,613	5,354
	139,764	57,859	197,623

Unplaced applicants, April 29, 1943:
Male, 48,543; female, 28,186; total, 76,729.

[Mr. Mitchell.]

72537—250½

REPORT ON NUMBERS OF MEN DEALT WITH UNDER VARIOUS PHASES OF TRANSFERS OF LABOUR

(Excluding Placements made in ordinary course, by Employment and Selective Service Offices)

(Figures cover March, 1943, to June 12, 1943, except in cases of compulsory and coal orders, on which see footnote)

—	Total Transfers	1st and 2nd Compulsory Orders	Coal Order	Conscientious Objectors	From Armed Forces	Farm Workers Returned to Agriculture on Cancellation of N.S.S. Permits
(1) Total dealt with	131,535	18,658	1,916	4,747	6,214	100,000
(2) Directed to higher priority work: total	113,672	2,397	314	4,747	6,214	100,000
(a) Agriculture	109,775	156	.....	3,847	5,772	100,000
(b) (1) Mining—coal	1,015	259	314	.....	442	
(2) Mining—other	68	68				
(c) Lumbering and logging	180	180				
(d) Other high priority work	2,634	1,734	.....	900*		
(3) Reported to alternative service officer, as refusing direction	12	12				
(4) Given permits to return indefinitely to previous employment	5,663	5,663				
(5) Given permits to return temporarily to previous employment by reason of being returned soldiers, or of having dependents	3,647	3,647				
(6) Not disposed of:	8,132	6,939	1,193			
(a) Available for transfer (but given temporary permits at previous work)	5,476	5,476				
(b) Awaiting further particulars from Registrar; appeals pending, etc.	1,463	1,463				
(7) Incapable of returning to coal mines	409	.....	409			

*900 conscientious objectors are in work camps.

NOTE:—1st compulsory employment transfer order was announced on May 5, 2nd on May 15: the 2nd had not closed at June 12, the date of the above compilation. The coal order was announced on May 17, 1943.

[Mr. Mitchell.]

SUMMARY OF MOBILIZATION STATISTICS

(March 20, 1941, through April 16, 1943)

Table I shows medical examination, postponements and military training.

The difference of approximately 380,000 between the number of men sent notices-medical, and the number examined, is accounted for by notices undelivered, men who joined the forces voluntarily either before or on receiving notice-medical, men sent notices to whom the regulations do not apply, and some defaulters. Men registered from January to March 15, 1943, as not receiving notice-medical (see Table II) narrows the difference between notices sent and men examined. But without doubt voluntary enlistments account for a very substantial portion of the total difference.

The reduction of approximately 319,000, in the number called for military training, compared to the number examined, is accounted for by men being medically unfit, men being granted postponements—and again (but no doubt fewer in number) voluntary enlistments. Defaulters would also add to the difference.

Voluntary enlistments, as well as postponements, account for most of the difference of 129,000 between the numbers called for military training and those reporting. Also, of course, some defaulters enter into this phase of the process, too.

Physical reasons, on further medical examination, are responsible for the reduction in the number accepted for training, compared to the number called.

Table II shows the special registration already referred to, and in addition, prosecutions and investigations.

It has not been possible to have carried through the vast amount of clerical work necessary to secure a statistical reconciliation as between the various related totals.

TABLE I

Medical Examinations, Postponements, Military Training

Administrative Divisions	Medical Examination		Postponements			Military Training		
	Number Called	Number Examined	Number Requested	Number Granted	Number* in Effect	Number Called	Number Reported	Number Accepted
"A" London	74,578	43,479	16,522	16,241	7,303	18,636	12,466	9,436
"B" Toronto	189,205	100,747	40,677	30,616	14,113	54,460	30,013	22,658
"C" Kingston	60,008	38,594	20,735	19,351	14,290	17,096	7,766	6,238
"D" Port Arthur	12,189	7,479	1,974	1,759	868	4,271	3,159	2,297
"E" Montreal	210,245	140,508	47,499	39,178	15,908	69,450	32,116	25,934
"F" Quebec	107,883	63,346	25,248	17,732	11,855	20,524	13,225	10,846
"G" Halifax	43,113	29,172	9,780	7,496	3,898	14,826	10,830	7,662
"H" Saint John	33,303	21,743	5,465	5,173	4,061	10,666	7,999	5,825
"I" Charlottetown	8,167	5,061	3,107	2,668	1,794	2,891	1,738	1,255
"J" Winnipeg	67,394	43,754	14,303	11,772	7,213	15,340	9,904	7,916
"K" Vancouver	72,147	46,394	20,938	18,408	8,555	23,741	10,856	9,222
"M" Regina	69,000	38,956	18,126	11,829	4,615	20,729	11,396	9,975
"N" Edmonton	41,243	29,409	8,850	8,327	6,500	16,914	9,194	7,699
Total	988,475	608,642	233,224	190,550	100,973	289,544	160,662	126,963

* As of June 1, 1943.

Summary of Mobilization Statistics as of June 4, 1943

Table II

Registrations of Men who had not Received Notice-Medical, Prosecutions for Non-Compliance, Police Investigations

Administrative divisions	Number of men registered Jan. 1, to March 15, 1943, as not having received Notice-Medical	Cases prosecuted for non-compliance			Number of men whose cases are now in hands of police for tracing purposes
		Won	Lost	Total	
"A" London	6,174	44	5	49	1,200
"B" Toronto	24,994	61	3	64	1,215
"C" Kingston	4,399	17	0	17	733
"D" Port Arthur	4,373	9	0	9	10
"E" Montreal	23,741	570	4	574	2,613
"F" Quebec	13,507	219	1	220	5,200
"G" Halifax	9,575	15	3	18	485
"H" Saint John	1,302	25	1	26	1,148
"I" Charlottetown	593	0	0	0	27
"J" Winnipeg	10,181	141	1	142	504
"K" Vancouver	12,566	67	3	70	64
"M" Regina	24,281	61	0	61	233
"N" Edmonton	9,287	97	4	101	1,500
Total	144,973	1,326	25	1,351	14,932

Mr. DIEFENBAKER: My first words, Mr. Chairman, must be of congratulation to the minister on the lengthy and complete statement he has made to-day in connection with the man-power situation. With regard to many of the matters of which he has spoken I am in complete agreement with him. In what he had to say during his peroration as to production, I know he spoke the views of all Canadians in that we are proud of Canada's record of achievement. However, I cannot agree with him when, in expressing his viewpoint in regard to the man-power situation in Canada, he used words to the effect that we have the best man-power policy that can be devised. In the use of those words, having regard to the conditions which have prevailed during—

Mr. MITCHELL: My hon. friend is laughing, himself.

Mr. DIEFENBAKER: I have to laugh at that description. In regard to conditions prevailing in industry, shortages of man-power on the farms and the man-power situation in general the minister's opinion seemed to be that the steps taken were the best which could have been taken. That statement is a fine example of extravagance in overstatement. Great things have been done. The mobilization of Canada is something of which we are all proud. That is the attitude I have taken at all times, that when the government or the people of Canada are entitled to commendation, they should receive it.

The minister placed on record the numbers of men who are serving overseas to-day in the various forces, and the number engaged in industry. To keep the record clear, it would be well to point out that at the time of the last war, with a population some forty-two per cent less than it is to-day, we enlisted 628,462 men for our armed forces, of whom 424,589 went overseas. As I listened to the minister to-day, I felt that in many respects he was apologetic for what he would like to carry into effect, namely, a system of selective service whereby men mobilized in Canada would be available for service at any point in the world. But that is denied to him because he and those associated with him have been shackled by considerations concerning which no further reference need be made.

The minister referred to a matter which I have raised on more than one occasion, namely, the need for equality of call and equality of administration of the National Resources Mobilization Act in every part of Canada. The answer he gave to-day does not meet the situation revealed by the records issued by the government. I am not going into detail in that connection, but I would refer the committee to *Canada at War,* in the February issue of which is set forth in detail the record of call-up in the various parts of Canada. I raised this matter in the house earlier in the session, and then indicated what the percentages were. I showed that under the call-up those provinces which were contributing the largest percentage of volunteers were also contributing the largest percentage of men called up for service in Canada under the measure of conscription in effect. The minister's answer to-day is not a denial of the accuracy of my statement, so far

as the percentages of call-up are concerned. London, Ontario, has a tremendous record for voluntary enlistments, and the call-up was 8·52 per cent of the available man-power; that of Kingston was 6·9 per cent; Halifax, 10·54 per cent, and Saint John, 9·89 per cent. On that earlier occasion I referred in detail to the various military districts, and I showed by figures which have not been contradicted that in other parts of Canada, where voluntary enlistments are a great deal lower than in the districts I have mentioned, the call-up was from forty per cent to fifty per cent less than in those districts in which voluntary enlistments were the most.

The minister says that is being corrected. Well, let us have the details. Interestingly enough, when this matter was discussed in the house, government statistics were available to the Canadian people, but since then, such information has been deleted from every issue of *Canada at War*. I ask again, as I asked the Minister of National Defence: Why was that deleted? I ask the minister in charge of the Department of Labour again to have that information restored in *Canada at War* in a form in which it will be readily available, so that there may be no misunderstanding as to whether or not the serious situation revealed therein that improper and unfair calls were being made has been terminated. If it has, then I will be the first to commend the government for having done so, just as I condemned the government before for having one system or rate of call in one part of Canada and another system of call in another part.

The minister stated to-day that recently a large number of changes have been made in the matter of compulsorily transferring men for service in various industries. I do not know what the record has been in the last few days, but I do know that up until June 6, 1943, only 9,000 men had been registered under the two orders then in effect. Those orders required that men working in various industries should register. I repeat that only 9,000 had registered, and of those registering, only ten per cent had been transferred. The minister claims that great work has been done by way of compulsorily transferring men to other branches of industry. I repeat that up to June 6 the record showed a total of ten per cent of 9,000.

When I asked the minister a perfectly fair question to-day, as to when the survey was made with respect to man-power, and whether the statements he was making were based upon a recent survey, his answer was that he would not permit any questions at that time. I suggest there is a perfectly good reason why the minister did not want to be asked the question, because as late as May 4 only a very broad answer could be obtained. Into such an indifferent position had our man-power situation fallen that when the question was asked as to how many men the government expected to get through the registration of men engaged in the industries mentioned in the two orders in council, the reply was, "Unofficial estimates are that the number of men affected are somewhere between 10,000 and 50,000." Had there been any kind of survey up to that time, one would have expected an estimate somewhat close to the facts and the results.

It indicates clearly that up to May 4, 1943, there had been no survey of man-power in Canada. On more than one occasion I, along with other hon. members on this side of the house, have asked the government to let the country know what has been done in connection with the registration of man-power, how many men are available for the armed services, and how many men will be available for industry and agriculture. This is the fourth year of the war, and yet there is no plan to-day for Canada, in so far as allocation of man-power is concerned.

As a matter of fact if hon. members want to get information in regard to the labour situation, they have to go outside the house to get it from officials of the department who make speeches elsewhere than in the House of Commons, and, in the case I have in mind, elsewhere than in Canada. I was in the library yesterday, and I picked up the May, 1943, issue of the proceedings of the academy of political science. A meeting of this organization was held in New York on April 7, 1943, and among those who spoke was the director of national selective service of Canada. Mr. MacNamara dealt with the man-power situation and explained why it was impossible to do many of the things the government would like to do. He set out in detail the policy of the government. My hon. friends on the government side never admit that they have brought in conscription; they do not admit that the present system is a means by which men are forced to volunteer in the armed forces for overseas service, but when the deputy minister of labour was speaking at this meeting he endeavoured to explain to those who were present why it was that Canada did not have selective service by which men would serve all over the world just as they have in the United States. He said:

> Canada's armed forces consist primarily of volunteers, but the method of voluntary recruiting is supplemented by conscription for service in Canada.

Mark these words:

Since a very large proportion of the draftees enlist for active service anywhere, either before or after their induction into the service, the net effect of our draft is not very different from yours.

At last we have from the mouth of an official of the Department of Labour definite proof of what we have been endeavouring to place before the house on more than one occasion, that Canada has conscription. Apparently he wanted to show that Canada had a plan. He said that from the end of 1940 down into 1941:

Employers often tried to recruit and train young workers, only to find after a few months that they would be called or would volunteer for the armed services. All of us had our sights set too low. Most employers at this stage, for example, refused to believe that they would ever find it necessary to replace men by women. But Canada's war effort continued to expand without any serious dislocation of other activities by the natural and almost automatic turnover of labour in search of better jobs.

The minister, along with his predecessors, took pride in the man-power plan of the government. We heard that pride expressed in 1940; we heard the same statement made in 1941 and again in 1942. What does this gentleman say? He said:

There was no central authority directing the movement, no master plan, although conscription and training for war industry had begun.

Referring to the fact that man-power had been lost to agriculture and indicating that there was no plan, he said:

The steady drain of agricultural man-power to the forces and the war industries has thus been checked.

And again, farther along in his speech, he said:

Our present plans through March 31 of next year call for a net increase of over 160,000 men for the armed services, agriculture and war production.

Why is it that we could not be told in this house that 160,000 men are to be required next year when the man who administers this department gives to a gathering in the United States information which has been denied to parliament? I pass on to another statement which was made, as follows:

At the other end, in the less essential occupations, not only will men be called for military service in the regular routine, but substantial numbers of those found unfit or who have previously been found unfit will have to be released by their employers and required to take available essential work. If this proves to be in agriculture, as we expect in many cases, the difficulty arising from the fact that agricultural wages are so much lower than industrial wages will be met by pointing out that each such man will earn at least as much as in the army.

The whole plan regarding man-power which has been denied to parliament is placed before the academy of political science. I would ask the minister to elucidate this next statement which I am going to quote, because parliament has not yet had this information. He said:

I have ignored many of the details of our regulations—the inevitable exceptions, the provision of travelling expenses, separation allowances and other special allowances to encourage workers to accept distant jobs—

Are separation allowances being paid to-day to men transferred from one industry to another? Are separation allowances being paid to their families? I continue:

—the right given to workers who are transferred to more essential jobs to claim reinstatement without loss of seniority in their old jobs when the more essential work is finished.

Have such regulations been brought into effect? They have certainly not yet been brought before parliament.

I must get on with some other matters to which I wish to refer. All of this indicates that in spite of the fact that emergency regulations have been issued by the department from time to time since March, 1942, we are still in the same position we always were in so far as compulsion is concerned, except with respect to the two groups of occupations referred to in the orders in council issued in May last. Fifteen months ago the Prime Minister declared for a policy of the negative compulsion of restriction. Time has shown that the policy that has been carried into effect has been a positive restriction of compulsion except in so far as it is necessary to force men to volunteer for overseas service instead of adopting selective service. Unless a true form of selective service is brought in, neither the minister nor any department of government will have the power or the support of the people of Canada to move men back and forth from one industry to another regardless of their personal wishes.

All of this was predicted last fall by Mr. Elliott Little when he said that there would still be a few months' grace before the situation became unmanageable. That is how it has worked out. To-day we find ourselves in the position where man-power is not available, not through the shortage of man-power—this was made quite clear some months ago by Doctor Couper of the Department of Labour—but because there is a shortage of the right men in the right place at the right time owing to the failure of the government to adopt a practical policy. Mr. Little recommended many things which were ridiculed at the time, of which some have since been adopted. The

events that have occurred since he resigned have entirely justified everything he said at the time. In part he said this:

> It might be well to point out that the prospects for the winter are for a continuation of the present situation; that is, for a fairly tight general condition, with some particularly acute local and industrial problems, but not reaching an overall shortage of really critical proportions until spring.

In the same memorandum Mr. Little also pointed out:

> Some of the special difficulties which already exist, such as the all-around shortage of able-bodied men, qualified for heavy and relatively low-paid work in the base metal and coal mines, smelters, foundries and steel mills, in branches of the lumbering and agricultural industries, will have cumulatively more serious effects on essential production.

What he said then has come true; what he warned of then has culminated in a situation that is now prevalent in all parts of Canada. Our mines are undermanned, it is admitted now; our farms have been depleted of man-power, so that men shall serve for the defence of Canada but not beyond the confines of Canada. The minister claims that the record to date of man-power on the farms has been a creditable one. But the minister could not assert in the agricultural portions of this country that the policy he enunciated to-day has been carried into effect since March, 1942. The promise was made then that essential man-power on the farms would receive postponement unless the boards were able to establish non-essentiality on the part of the farm worker. The regulations were there, but regulations without enforcement are words without works.

Boards were set up. But those boards did not carry out the regulations. The minister to-day endeavours to put the responsibility on the boards. The responsibility rests upon the government for failure to set up machinery to carry into effect the policy enunciated by the government. All over the dominion the situation has been such that in one province there has been strict adherence to the regulations, while in another province there has been a failure to observe the regulations. That is the reason why two years ago I made a suggestion which I thought would be of assistance. It was that there should be a court of appeal, consisting of a judge of the Supreme Court of Canada not to hear every appeal that would come before it in the ordinary way, but to hear only appeals from persons who believed that the interpretation of the regulations with respect to them was not according to the law of the land, and those persons should only then have a right of appeal after leave had been granted. If that had been done, there would have been equality of call, and certainly equality of administration.

To-day the coal mining industry is depleted of its man-power, all because there has been no selective service. True, this is selective service in name but not in practice. It is not in effect.

The minister says that the people of Canada as a whole are satisfied with the man-power policy of this government. Let me refer him to what has been said on that point by an outstanding Canadian, the president of the Canadian Legion, who, on June 7, speaking in Edmonton, said:

> Apart from certain compulsory man-power measures recently introduced on the home front, we seem to be as far away as ever from a realistic policy of total war and I'm afraid that both our government and people are in for a rude awakening when our army casualties start to come in in earnest.
>
> The problem of man-power is a question no country at war can afford to pussyfoot about, and we know that when the great test comes, it is man-power more than anything else that will tip the scales of victory or defeat.

Are we getting that man-power to-day? Brigadier James Mess, deputy adjutant-general and director of army recruiting, speaking in Toronto on June 18, said:

> Every man and woman medically fit is needed in the fighting services. It's just as important to get a girl in the services as it is to get a man. Those in industry may disagree but every girl or man they lose is no tragedy to them—it's an inconvenience.

A process has been going on for four years whereby man-power is subject to the attraction of the armed forces, the attraction of industry or the call of agriculture. The result has been that various ministers have been compelled to admit during the course of the man-power debate that the services under their control are short of the necessary man-power, each minister being in the position of a residuary legatee and receiving only what is left over after the conflicting claims of either armed forces or industry or agriculture have been met.

We are not getting the men. Requisitions for men are made by the defence department. The story is told in the latest return that was brought down on June 17, 1943. Requisitions were sent out for 104,684 men for the army between October 31 and June 17; and how many were secured? The number that answered the call was 52,459, or only forty-three per cent of the number required, and they must have been required or the calls would not have been sent out. Deduct from

[Mr. Diefenbaker.]

that 52,459, 17,000 who were medically unfit, and only 35,000 men were actually secured for the armed forces. And it is becoming worse as time goes on. A year ago ninety-seven per cent were secured for the armed forces of the numbers called. That was up until March, 1942. Then the figure dwindled until by December, 1942, it was only fifty-five per cent, and now it is down to forty-three per cent.

I realize that the problem of man-power is an intricate and difficult one in Canada as in all parts of the world. The effort to mobilize for total war demands adequate reinforcements for the armed services; adequate production of munitions; adequate production of food. The numbers in the armed forces are not entirely a matter of military determination. This is a problem in part depending on keeping what the minister called a balance between the various claims for the numbers available. A plan must be established that will meet the demands of each and every one of the claimants for man-power at the present.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. DIEFENBAKER: May I now summarize to the committee the points of view which I had been making before the recess. We of the opposition demand in the interests of Canadian unity and of an all-out war effort, first, that there be one equality of service everywhere in Canada, and, second, that under the provisions of the National Resources Mobilization Act there shall be equality in enrolment and in the administration of the act. I am not going into details with regard to the statement I am about to make, but I have spent a considerable amount of time analysing the figures of the call-up in the various provinces, and I say without fear of contradiction that had there been equality of call in every province in Canada, up until December 1, 1942, there would be no shortage of man-power on the farms of western Canada and the province of Ontario, where I know there are shortages now. The minister has stated that from now on there are to be calls made in the country as a whole. Against that I protest, for in doing that all opportunity of securing equality of call will be denied, and there will be no way in which there can be a check-up to ascertain whether or not the law is being equally applied and enforced.

We demand that there shall be equality of enforcement. The minister produced a lot of figures to-day in a statement of the national selective service on man-power, which I believe he said was being placed on *Hansard*. That statement, even from a casual perusal, is a kind of mathematical sleight-of-hand. The figures that are given do not, I submit, give the picture as it is.

In connection with the enforcement of the law, a return was brought down on January 29, 1943, in regard to the penalties that had been imposed for infractions of the law throughout Canada. Hon. members will notice that in division A there is only one prosecution, and in division B the penalties run generally from three to six months. In division D penalties consist of one fine of $25 and costs, and sentences of six months and two years in penitentiary. In division E, with the exception of one or two gaol sentences, the penalty for failure to report for military training consists of fines of from $1 and costs to $50, $25 and costs, $5 and costs, costs plus $20 and the like, and the same applies to division F. In other districts you will find the penalties imposed for failure to report are generally gaol sentences.

If there is to be any enforcement of the law there must be such enforcement that, when infractions are ascertained and guilt established, the enforcement will not be so small as to result in penalizing the man who carries out the law. Some of the penalties that have been imposed are unfair and unequal, having regard to penalties being imposed in other parts of the country. I say that in certain districts the man who is a defaulter and does not answer the call is actually the better for not having done so. He can earn the wages available to him outside the army, realizing that when he is brought before the court the penalty will be so low as not to amount to a detriment. This unequal enforcement of the regulations in respect of call-up has resulted in a total absurdity from the point of view of the administration of justice in Canada.

The figures that were given in February, while Canada was at war, are figures of the department of information. I repeat what I said on a previous occasion, that, having regard to the statistics given therein, there are to-day in Canada, unaccounted for, or there were in February last, 205,776 men. I put the figures on *Hansard* earlier in the session. Has there been any enforcement since? Yes, there has been enforcement to the extent of a very few prosecutions, the total number being 1,326. There has also been a promise of immunity,

whereby in return for reporting there was to be no prosecution, and the total number that answered the call on the strength of immunity is approximately 7,200.

These statistics, which cannot be denied, show that no serious endeavour has been made to enforce the law. Now then, Mr. Chairman, I put this to you. When there is a law on the statute books which takes from a man the liberty he enjoys of going where he pleases and doing what he pleases in general, and places him in the armed service, and that law is not equally enforced, or at any rate not seriously enforced, the whole administration of justice is brought into disrepute.

Why are not the mounted police used in locating defaulters? Recently the government appointed an institution in Toronto, a credit bureau. It went to work on the matter. I had the figures before me a moment ago, but I cannot put my hand on them just now, but they show that there were located in Toronto or the province of Ontario fewer than 300; and none elsewhere.

Mr. MITCHELL: Three hundred and fifty approximately.

Mr. DIEFENBAKER: What a record of enforcement, having regard to the number I have given of 205,000! No doubt quite a number have gone into the armed services, but making due allowance for those that did so, there has been no serious endeavour on the part of this government to enforce the law which it placed upon the statute books.

Mr. MITCHELL: I do not think my hon. friend is serious when he says that.

Mr. DIEFENBAKER: I tried to ask some questions of the minister, and he said he did not want to be interrupted. I am serious when I say that there has been no answer from the minister to the statement which I have made on several occasions, that there is not now, nor has there been, any endeavour—

Mr. MITCHELL: I want to say to my hon. friend that there is, and let that stick.

Mr. DIEFENBAKER: I say, there has not been, and there is not now any enforcement of the law in the matter of the National Resources Mobilization Act equally throughout the dominion.

I pass now to another subject. The government has admitted that there must be compulsion in the transfer of labour from one industry to another. The minister to-day pointed to what has been done in that direction. While the statistics which will appear on *Hansard* would indicate that there has been a large placement, the statistics which I have, based on returns brought before this house, show that, of the million and many more workers in war industry or in other industry in Canada, no more than 900 have been compulsorily transferred from a less important industry to one of greater priority.

In that connection, the minister to-day placed on the record a plan showing the manpower of this dominion employed in industry and agriculture. That is something we have been endeavouring to get for a long period of time. As late as last January—to be exact on January 14, 1943—the answer which was given, when the question was asked by the hon. member for Rosedale as to the number of persons engaged in manufacturing industries, was that the information was not available, and would not be until the tabulation of the April returns of the unemployment insurance commission; and with regard to agriculture, the answer was given that the last figures the government had were of the census of June 1, 1941.

I commend the minister for having utilized the services of the unemployment insurance and other bodies throughout Canada to secure an up-to-the-minute census showing how many men and women are employed in the various industries, for it is only with such a picture that anyone can arrive at a proper conclusion as to whether or not there is a proper allocation and use of man-power which there should be. I may add that even now there is no control of man-power in Canada under selective service to prevent men from moving backwards and forwards within the same industry or even outside the same industry.

On Monday, June 21, the Minister of Munitions and Supply referred to the changing personnel in the shipbuilding industry. I asked him, as reported in *Hansard* at page 3839:

> I want to know if men are still being called up from these specialized jobs—
>
> That is, in connection with shipbuilding.
>
> —and being put in the army in Canada. If so, how many have been called up from shipbuilding since the beginning of this year?
>
> Mr. Howe: I do not know.

Mr. Chairman, if there is cooperation and collaboration between departments would you expect to receive the answer from the Minister of Munitions and Supply, dependent as he is upon man-power, that he does not know the answer to that question?

Mr. MITCHELL: I might tell my hon. friend that the best answer is this—

The CHAIRMAN: The hon. member for Lake Centre has the floor.

Mr. DIEFENBAKER: May I finish my quotation?

Mr. MITCHELL: I just want to say this: the best answer to my hon. friend's analysis of the shipyards situation is this, that we are building more ships in the Dominion of Canada than have been built in the history of this country, and more merchant ships than are being built in Great Britain. These are facts which speak for themselves—ships, ships.

Mr. DIEFENBAKER: I am not talking about ships.

Mr. MITCHELL: But I am talking about ships.

Mr. DIEFENBAKER: They have the man-power to build the ships. But I am talking about the fact that it is not owing to the minister's efforts that the ships are being built.

Mr. MITCHELL: No; it is owing to my hon. friend's efforts!

Mr. DIEFENBAKER: I then asked:

What did the minister mean by the statement he made earlier in the discussion that the proportionate rate of change in the personnel of the shipbuilding yards was too great, or words to that effect? Did he mean that it is difficult to hold the necessary trained men in the industry?

Mr. Howe: No. Men drift from yard to yard to some extent. It is a thing we would like to discourage; we would like to keep them where they are.

The use of the word "drift" does not indicate direction of man-power from one industry into the other.

Just one matter more. There are certain other matters I will deal with later on when the opportunity arises.

I think there should be greater use made on the advisory board of representatives of agriculture and of labour. I am not going to read in detail a letter to Mr. MacNamara; but if what is stated in this letter, dated at Calgary on June 4, from the United Mine Workers of America, from J. Stokaluk, vice-president, is correct, it indicates this, and it supports what one frequently hears from those engaged in agriculture as well, that their representations are not accepted or heeded by the department administered by the Minister of Labour. This is what this man says:

When I was nominated by district 18, United Mine Workers of America, and afterwards was appointed by your department on the coal mining industry advisory committee, I was under the impression that the duty of this committee would be to advise the director of national selective service on man-power in the coal mining industry.

One would expect that, Mr. Chairman, if he was appointed a member of the advisory board. Yet what happened?

At the last meeting, which was held on May 14, the procedure was entirely changed.

That is, in the matter of discussion and recommendation.

When the committee met in Ottawa on the above-mentioned date, a ready-made order in council was read out to us. A discussion took place and the representatives of the miners unanimously opposed some of the provisions contained in that proposed order in council. After the discussion was over, the committee was not asked for any further suggestions or recommendations as to the man-power in the coal mining industry, and the meeting was adjourned.

Then he says this, I am leaving out one paragraph, because it refers to another matter, unless anyone wants me to read it:

I consider that to bring eight of us to Ottawa for the purpose of reading the order in council to us without considering our opinion and advice was just a waste of time and money. I think the same purpose could have been served if this order in council had been sent to us by air mail, which would have been at the cost of some 56 cents instead of the some thousands of dollars spent to bring us to Ottawa.

The way the committee has been functioning since the first meeting, and particularly the procedure that was adopted at the last meeting, has forced me to come to the conclusion that this committee was not appointed for the purpose of consultation or advice, but for the purpose of being used as a rubber stamp for the policies adopted by the national selective service department.

Having given full consideration to the foregoing, I have no alternative other than to submit my resignation as a member of the coal mining industry advisory committee, believing in all sincerity that the method in which the committee has functioned to date has not resulted in its serving any good or useful purpose.

Mr. MITCHELL: I would ask my hon. friend to read the letter in reply, just to keep the record straight.

Mr. DIEFENBAKER: I have not the letter in reply. I am placing before the committee—

Mr. MITCHELL: Mr. Chairman, my hon. friend's time is up. I try to be fair about these matters, and I do not think that if I were in his place I would read only the one letter. I think, to be fair and to put the record straight before the committee I would have read the letter in reply.

Mr. DIEFENBAKER: I cannot.

Mr. MITCHELL: I say the hon. member might read the reply.

Mr. DIEFENBAKER: I have not the letter.

Mr. MITCHELL: Of course it suits the hon. member's political purposes just to read the one letter.

Mr. DIEFENBAKER: I conclude, Mr. Chairman, by saying this, that there would not have been the situation in agriculture which we find to-day, if the representations of the agricultural industry had received fair and proper consideration from the department. I shall be only too happy to read the reply to which the minister refers if he will send it to me.

Mr. MITCHELL: It is tabled.

Mr. DIEFENBAKER: According to this representative on the national coal committee, the government brought him here to face a decision already made without consultation.

Mr. ANGUS MacINNIS (Vancouver East): Mr. Chairman, the committee listened attentively to the statement of the minister this afternoon. It was rather long and evidently, if we are to judge by the criticism of the hon. member who has just taken his seat, it was not satisfactory. I think the position this group has taken in regard to labour matters is that we are not concerned so much with the mechanics of organization, but rather with what we consider the wrong attitude adopted by the government in regard to labour's part in our war effort. I wish to be quite fair with the minister, so that I am going to state at once that he has had a very difficult task with which to deal. If there is lack of organization; if there is confusion and misunderstanding in the Department of Labour—and I believe everyone agrees there is—I think we can absolve the minister of at least some of the blame, though he must assume a certain responsibility and must be prepared to accept or to listen to criticism in connection with that share of it.

Labour-industrial relations as they exist in Canada at the present time roots from the attitude of the government and the business men of this country who have had so much to do with the organization of industry since the beginning of the war. That being so, the government as a whole must accept the major responsibility. The attitude of the government was first indicated very early in the war, when it became clear that they did not realize the importance of labour in the war effort . Let me remind hon. members of what happened. When the war broke out, one of the most efficient and most imaginative ministers in the cabinet, the late Hon. Norman Rogers, was transferred from his position as Minister of Labour to the position of Minister of National Defence. I am not finding fault with the government for shifting a capable minister to what it might consider a more responsible department, but it indicates a failure on the part of the government to understand the importance of labour in the issues that were confronting the country. The change in the Department of Labour might not have resulted in any great difficulty if the government had appointed a minister who had some understanding of labour matters. Instead of appointing such a man, they appointed a wealthy lawyer. I have no objection to lawyers as a class, though I am inclined to believe that in a cooperative society they would not have any place, because where some one would not be seeking to cheat someone else, there would be nothing for them to do. My point, however, is that right at the beginning, when we ought to have made the best possible start, we appointed as head of the labour department a man who knew very little about labour and who had no associations with the organized labour movement.

So that from the very beginning the workers have not been considered as human beings or as members of the community entitled to a voice in determining the conditions under which they would work. Not only have they not been considered entitled to a voice in determining working conditions; they have not been permitted to have a voice in determining direction of policy. The hon. member for Lake Centre referred to the matter of labour representation on war boards. The Minister of Labour says that labour is represented. I have stated previously in this house that to the extent that labour was represented on any board, it was merely a token representation, and it was never intended that labour should be consulted. I think the proof of that statement is to be found in the fact that when the first order in council was passed freezing wages, the national labour council, which was then in existence, was not even consulted, though the order in council materially affected the conditions of labour.

Mr. MITCHELL: I know my hon. friend does not want to convey a wrong impression, but I was secretary of the national labour supply council at that time, and I have a vivid recollection of the consultations that took place with respect to the provisions of the order in council stabilizing wages. I am not suggesting that the opinion was unanimous.

Mr. MacINNIS: I have placed these facts on record previously. I have not the facts before me at the moment, but it was quite clear that labour was not consulted in that instance. As a matter of fact I do not think labour knew anything about the matter until the Prime Minister made his radio address announcing the policy.

Mr. MITCHELL: The hon. member was talking about the labour supply council, and that is what I am referring to. I do not say a general convention was held. If I remember correctly, there were at that time on the labour supply council Tom Moore, Mr. Mosher, Jack Bruce and, I think, Howard Chase, though I may be mistaken, and they were consulted. I am not going to say that they agreed with the government policy, but they were consulted.

Mr. MacINNIS: Well, we will not argue the point; I shall bring the evidence here again. I suggest to the minister that he was insistent he should not be interrupted during the course of his speech, so that he might allow me to carry on with what may be distasteful to him, since I allowed him to carry on with what was distasteful to me.

Mr. MITCHELL: Very well; I am sorry.

Mr. MacINNIS: Of course to anyone who has had anything to do with the labour movement in this country that attitude is quite understandable. Neither the government nor business in this country has got away from the old-fashioned idea that labour is a commodity, that its price can be regulated by the law of supply and demand. They may think it is unfortunate that the individual, in which labour power or the labour commodity is embodied, has to go around to deliver it. So far as they are concerned the individual workman is merely the wrapper in which the commodity is contained. Until we get away from that point of view and consider the workers as human beings, as members of the community, as people who are interested in all the affairs of our society and who should be consulted at every turn, conditions will not improve. I say that because to-day workers are the most important people in society.

Instead, then, of appointing a lawyer to the Department of Labour, the government should have endeavoured to get someone as head of that department who would feel about it, and the factors with which he had to deal, in much the same way as the Minister of Finance feels about financial matters, the Minister of Munitions and Supply about the organization of production, or the Minister of National Defence about military affairs. If we had something like that, there would be someone in the department who would stand up for labour, and I am satisfied we would not be in the difficulties we are in to-day.

Instead of that, however, the Department of Labour was a sort of Cinderella among government departments, and to-day we are paying for that view. The Department of Labour and the minister are paying the price in inefficient organization. The other departments took the cream of the executive staff available before the needs of the Department of Labour were realized. I am satisfied that in no department of government is it more important to have a specially trained personnel than in the Department of Labour. That department, more than any other, deals with the human factor in the war effort.

This afternoon the minister took up most of his time in dealing with the government's man-power policy. There are two aspects of the problem, namely the policy itself, and the administration of that policy. As I said before, the government as a whole must accept the responsibility for the policy, and at the most the Minister of Labour can be held responsible only for its administration. I consider that from the beginning of the war our labour policies have been wrong on account of our attitude toward labour. They have been wrong in another way. We have never come to a decision as to what portion of the labour force in Canada should go into the armed forces, and what portion should be available for production.

It is true that man-power policy cannot be static. It changes with developments in the military situation. I am convinced that at the present time the emphasis on man-power in Canada should be placed on production, rather than on men for the armed forces. Speaking in the house a week ago, the Minister of Munitions and Supply pointed out that only one-third of Canada's war production is for our own military forces. Consequently two-thirds of our production goes to the other united nations. I believe the Minister of Munitions and Supply put the case for what I am now saying when he spoke last year in one of the debates. I find these words at page 3371 of *Hansard* of June 16, 1942:

> In deciding our man-power policy we must consider whether we can contribute more to victory by continuing to be a principal source of munitions and supplies for the united nations, or whether we can make our greatest contribution by limiting our production in order to send overseas every physically fit man. . . . It seems to me that our whole war effort is being distorted at the present time by the undue emphasis now being placed on men for the army overseas.

Then he continued:

> I base my views on the fact that the supply of man-power for the armed services and for war production is not unlimited.

Canada is not the only country which finds itself in a position where demands for man-power may have to be met even by shifting

men from the armed forces. I hold in my hand the *Commercial Intelligence Journal* of June 12, 1943, in which is a report on conditions in New Zealand. It is credited to Mr. C. B. Birkett, Canada's acting trade commissioner in that country. He points out that in New Zealand they have come to the conclusion that they have put too many men into the armed forces, and that it may now be necessary to take men from the armed forces into production, if production is to be kept up. After pointing out what New Zealand has done in connection with supplying men for the armed forces, he says:

While this effort has been a splendid one, the opinion is generally held that New Zealand is over-committed in regard to the supply of men for the forces to the extent of seriously endangering production levels and the maintenance of public utilities. Much hardship has been experienced in the past year from the reduction of office and factory staffs, and of available farm labour. The loss of man-power to the railways, postal services and electric power schemes, despite the employment of women, has been particularly serious. Efforts to remedy the situation without interfering with established programmes, such as a transfer of over 6,000 men from non-essential to essential work and a return of between 8,000 and 10,000 men from the army to work on the farms, have proved inadequate.

I think we may have to change our minds in the matter of man-power in the interest of our war effort. That is, if our armed forces and our production are to be used to the greatest advantage in the global war in which we are engaged. We are all agreed that production in Canada has been large in comparison with the population of the country. We are a considerable distance from the theatres of war, and there are millions of men in the united nations who are ready to fight if they are given the arms, equipment and food necessary to carry on. If Canada can make a better effort by supplying these things, I think it would be the part of wisdom for this government and this parliament to direct our efforts in that direction.

For a few minutes I should like to refer to employer-employee management committees. On April 15 a return was made, I think in response to a motion made by the hon. member for Rosetown-Biggar, giving the number of plants in Canada in which there were production committees. The return states that the number of firms having established committees is 851, and the total number of employees of such firms is 486,896. I do not know what means the department had at their disposal to get this information, but after questioning employees of some of the firms whose names appear on this list I am doubtful if there are management production committees in many of the plants mentioned. I have information from Massey-Harris, Toronto, that there is a production committee in name only. The de Havilland aircraft, Toronto—tentative agreement between company and union to establish committee; still negotiating agreement, but no committee established. Wilson Motor Bodies Limited, Long Branch — discussions taking place, but no committee. Clarke Ruse Aircraft, Nova Scotia—no committee. Chrysler Corporation, Windsor — exploring situation; no committee as yet.

I could give a list of more than a dozen firms, the employees of which gave the same answer—no committee. I am doubtful if there are many real employer-employee committees in Canada. The reason for this is that Canadian employers are opposed to that sort of labour-employer cooperation. There is no doubt that these committees are extremely helpful in improving production. I have in my hand "Labour News from Great Britain," which contains an article by Herbert Tracey of the British trades union congress. He has this to say in reference to employer-employee committees:

As an important aid towards this organization of production, the congress—

That is the British trades union congress.

—welcomed the development of joint workshop and other production committees, and urged that these should be increasingly recognized as an effective means of promoting the maximum output of goods and services, material and equipment.

At the same time the Scottish congress pointed out that the necessity for maximum effort must not be regarded as applying only to those undertakings directly producing arms and war materials. Industries and services are so interrelated with the war effort that they must all be made to run smoothly if the military and social security of the nation is to be adequately safeguarded.

I note that when Elliott Little became director of national selective service he was anxious that committees of this kind should be established. Probably that is one of the reasons why he could not get along in the Department of Labour. In an address to the Quebec section of the Canadian weekly newspapers' association, held in Toronto on Saturday, May 9, 1942, shortly after he began his work, he had something to say about the opposition of employers to cooperating with labour. He said:

I'll tell you quite frankly that we have been given information about some employers deliberately stimulating the movement of labour to and from their plants with the definite purpose of persuading the government that it was necessary to freeze all labour to present jobs. I have had employers try to sell me on a policy

of blanket freezing. In their view, there were advantages—but only until I pointed out that freezing worked two ways: that if you froze labour you not only took the right to quit away from the worker, but the right to fire away from the employer. When they thought about it that way, their enthusiasm for a freezing order disappeared.

I think it was the hon. member for Cape Breton South who mentioned in the house the other evening that in nearly every strike that had taken place in this country since the war began, the workers had not gone deliberately on strike. In nearly every stoppage of work they had been manoeuvred into such action by means of tactics such as were referred to by Mr. Little in that speech. Having referred to the ways and means of organizing production, he said:

> Do not mistake what I am talking about. By better employer-employee relations I do not mean a concession to the workers here, a privilege there, such as a cup of tea at four o'clock. Those things have their place. I am talking about the whole broad field of personnel management which boils down to mean the best possible personal relations between management and the employees. The workers I meet and have worked with do not want employers to hold their hand. They simply asked to be treated as you want to be treated—as an adult and a responsible citizen.

That is the very thing the government has been loath to do; it is the very thing that employers have refused to do.

Continuing, Mr. Little said:

> Better employer-employee relations can produce more tanks, planes, and guns; they will help sell war savings certificates, they will put over the victory bond drives. Secured now out of this struggle for our lives, it should be obvious to the dullest mind that they can be made the foundation of our industrial and social reconstruction in the post-war period.

The people that Elliott Little had to deal with were not people who could see as far as the post-war period. They could see only as far as the interests of their own immediate industry were concerned, and they were very much afraid that if they had to cooperate with labour during the war, it would mean that they would have to cooperate with labour after the war, and that is the last thing they hope will come out of the war.

The minister quoted from Ernest Bevin this afternoon. May I make a brief quotation from a speech by Ernest Bevin, which can be found on page 127 of the collection of his speeches entitled "The Balance Sheet of the Future"? Mr. Bevin states there:

> This task of winning the war means you have to call for the utmost ingenuity you can get from the people, for every ounce of ability they have, for the willingness and courage to take decisions, to make them indifferent to enemy action and carry on. I do not believe you can do that with orders from the top.

Every attempt to get anything out of the workers in Canada since the war began has been made by orders from the top.

The minister this afternoon devoted very little time to the matter of labour organization and the difficulty that labour has to get recognition from employers in industry. The only reference he made to that subject was, I think, that the right of labour to organize is fundamental. If the right of labour to organize is fundamental—

Mr. MITCHELL: I was dealing there with selective service, which is mentioned in the estimates. I thought management and labour could be dealt with in the discussion of my estimates in supply. I just wanted to make that clear.

Mr. MacINNIS: That is all right. But it is nevertheless an exceedingly important matter. May I ask again, if the right of labour to organize is fundamental, and if that right is recognized by the government as fundamental, what is it that is preventing labour organization? I asked the minister the other day about the lay-off of men at the Rand-Ingersoll company plant at Sherbrooke. In replying to the question the minister said there was a report that the men had been laid off—note this—on account of trade union activities. These men are engaged in war work. I believe that they are producing engines or the material for engines for our cargo ships or it may be naval vessels. Whatever may have been the reason why these men were laid off, the fact of the matter is that the lay-off did not begin until the men began to organize, and the lay-off took place only in those parts of the plant where the men were organized. Ever since the war began, it has been the same story in almost all of Canada's war industries. In every one of them where to-day there is recognition for labour, that recognition has been attained only after a struggle and often by the threat of a strike. I have before me the submission of the Montreal Aircraft Lodge, 712, of the International Association of Machinists, to the national war labour board inquiry, and I think it would be interesting to read just one short paragraph, which is illustrative. When I read it the committee will have a picture of every submission made by every labour organization which appeared before the national war labour board. This is what it says:

> We set about organizing the plant, and then asked the company to negotiate an agreement with our organization, similar to that in force in our other plants. This the company refused to do, and on September 26, 1941, we applied for a board of conciliation. At that time, practically 100 per cent of the employees in this plant were members in good standing of our

organization. On one pretext or another, under the guise of attempts by the Department of Labour to "conciliate" the dispute, the board was not established until May, 1942.

Remember, the application for a board was made in September, 1941, and the board was only granted in May, 1942. The submission continues:

In the interval, the company had used every trick, including intimidation, mass lay-offs, and the use of the company-union set-up which existed in the car-building section of the works, to destroy the organization. When we complained recently in a letter to the Prime Minister of the dilatoriness of the department in establishing this board of conciliation, the minister defended himself by stating that our organization had agreed to the delay in that we had concurred with and participated in the conciliation efforts of his department. We can only conclude that the minister took our failure to go on strike illegally during this period as a sign of agreement with the delay, because we used every other form of representation known to us to constantly urge the speedy settlement of this matter, and complained many times of the delay.

Could anything more clearly illustrate that if the right to organize is a fundamental right, the workers in Canada are denied that fundamental right?

Earlier in the session, when I spoke in this house on some other matter, I pointed out that the government took the same attitude in those industries under its own control, and that it was not until December, 1942, more than three years after the war began, that the right of labour to organize was accepted in these crown companies.

I see my time is about up, and I will conclude with this. In the submission made to the war labour board by Mr. A. R. Mosher, president of the Canadian congress of labour, he makes this statement in reference to order in council P.C. 2685, which declared the fundamental right to organize:

It was also ignored by the government itself, as organized employees of crown companies were not permitted to negotiate with the managements of these companies although they were under the direct control of the government. However, after strikes had been threatened in several crown companies, order in council P.C. 10802 was passed in December, 1942, permitting the employees to join unions and permitting the managements to negotiate collective agreements. In spite of the recommendations made by the congress to the government the order does not yet apply to the Canadian Broadcasting Corporation or the National Harbours Board.

I would suggest to the minister that if the right to organize is a fundamental right, he as Minister of Labour has the bounden duty to see that labour is protected in the exercising of that fundamental right.

[Mr. MacInnis.]

Mr. HANSELL: I listened with a good deal of interest to the minister's statement this afternoon and in commenting upon it now I have no wish to traverse the universe. I shall direct my attention to one particular subject about which the minister did not say a great deal. I notice, in the little programme that has been given to us in order that we may pursue an orderly discussion, that there are about twenty-two items constituting an expenditure of about $21,500,000. I am quite certain that when we get through with these twenty-two items we shall have pretty well exhausted the administration of the Department of Labour.

The item which I wish to discuss does not seem to appear anywhere on this programme. About a month ago the Prime Minister (Mr. Mackenzie King) issued what was known as a statement recognizing that a national emergency existed in connection with the fuel supplies of Canada. About a couple of weeks ago, on the orders of the day, I asked whether the Minister of Labour would care to make a statement informing the country what progress was being made with respect to this national emergency. He rose and made some little statement that did not amount to anything, and I suggested to him that if he could not make a statement, then it would be all right for him to do so in a few days' time. A couple of weeks have now gone by, and when he made his speech this afternoon he seemed to have forgotten somehow or another that this national emergency existed, because it is the only national emergency we have, or the only one that has been announced apart from the obvious emergency of the war, and yet he made only a passing reference to it.

I shall have something to say with reference to the announcement of that national emergency. If we think deeply enough into this whole matter of the national emergency on account of the fuel supply we shall recognize, I believe, that the only reason why there is such an emergency in Canada is that the present Liberal administration of Canada were unable to see far enough ahead, or else they closed their eyes to that which was very obvious. In respect of the announcement of a national coal emergency, I think it would have been proper to announce that there was a great Liberal administration emergency. I suggest that judgment should begin at home, where it belongs, and it would have been fitting for the Prime Minister of Canada to announce this and to say: We did not foresee this, or our expert advisers did not tell us this would happen, and now, by reason of

our lack of foresight, I have to announce a national emergency on account of the shortage of fuel.

I had something to say about this last night when I asked the Minister of Munitions and Supply a question or two, in reply to which he said that he recognized the seriousness of the present fuel situation in Canada. I have reason to believe that the situation is serious, and I believe that the people of Canada should be told immediately and should be given a comprehensive picture to show, exactly how the situation stands to-day.

As I see it, the supply of coal falls very heavily upon, shall I say, three categories. We must supply our armed forces with the fuel, the coal, they need. This includes not only the army camps and so forth, but the fuelling of ships. I think the minister should tell us something about that. He rose a little while ago, interrupting a previous speaker, and asked: Does my hon. friend know that we are building more merchant ships in Canada to-day than ever before, even more than Great Britain? That being the case, might I also add that these merchant ships need coal. Are they going to get it? I wonder what it would mean if this country should suddenly realize that ships cannot sail from our harbours because they have no coal.

Mr. EVANS: Did the hon. member ever hear of oil burners?

Mr. HANSELL: Who piped up then?

Mr. EVANS: I asked if you ever heard of oil burners.

Mr. HANSELL: I cannot hear what the hon. member is trying to say. Oh, well, it is all right; I imagine it was not anything very important he asked me anyway.

Mr. EVANS: You would not be able to answer it anyway.

An hon. MEMBER: It was about oil burners.

Mr. HANSELL: I asked the minister about that, and he said that some of the ships were fuelling with oil but that many were fuelling with coal. Perhaps there is an oil emergency too. Does my hon. friend recognize that? Does my hon. friend recognize that Canada has oil, but that it is under the ground and that our administration in years gone by have so lacked foresight that they have not been able to get it out of the ground? Does my hon. friend know that? Not only must coal be supplied to our armed forces, but it must be available to our industries, or the consequences will be serious. The third category is the domestic consumer. Are the people of Canada to be cold this winter? These are three things the minister should tell Canada: is he going to guarantee that our armed forces, our industrial areas, and our domestic consumers will be supplied?

In respect of man-power in coal mines, I know of course that the minister appreciates there is difficulty in that regard. But that difficulty would not have arisen if the present administration had taken a long-range view of a proper and adequate national man-power policy. When war broke out, coal miners volunteered for the services. Many of them did so because they could not get full-time employment in the mines; they said, "We will enlist, we can make more money; at least, our families will be cared for. The coal mining industry is too uncertain; it is a hit-or-miss proposition". Accordingly many of our coal miners volunteered. I wonder whether the minister can tell us how many coal miners are in the armed forces, and how many are overseas. I do not believe he can. I challenge him to tell us.

An hon. MEMBER: Can you?

Mr. HANSELL: No. I am not administering this country.

Mr. MITCHELL: Another straw man.

Mr. HANSELL: We had a national registration some years ago. Men had to report their employment, their trade.

Mr. JOHNSTON (Bow River): That was to find out how they would vote.

Mr. HANSELL: I do not know whether, when a man joins the army, he states what his civilian occupation is. But if the federal administration is what I think it should be, it should know exactly how many men of the different trades there are in the armed forces, and where they are.

So much for that. Not only did many coal miners volunteer for the armed forces, but many of them went into other kinds of work because they could get more pay there. I know that a great many Crowsnest pass miners moved out to Vancouver or some other coast city and engaged in shipbuilding work. It may have been an admirable thing to do, I do not know; but at the present time we are short of coal miners, and I do not know whether the government intend to urge these coal miners to return to their work. Perhaps they will. What we are now facing is an emergency, and there is compulsion with respect to the moving of men from one industry to another. But if coal miners who left

their jobs, sold their homes, pulled up stakes and moved to another part of the country, as I know some of them did, are now to be recalled to go into coal mining, it is only fair that the government should compensate them for loss on the sale of their homes and whatever other expense may have been involved, to the extent of every cent of loss. Another thing the government should do is to assure these miners that when they return they will have proper employment, not only for the duration of the war but after the war. I know that some will say, "How do we know that we shall be able to get markets for our coal after the war?" Well, the greatest market for Canadian coal is right here in Canada, and if this country had a proper national coal policy, every mine in the country could be running at full capacity and employing its full number of miners during peace time.

Another factor which might cause some shortage or accentuate the present national emergency in respect of the production of coal is that much of our coal has been coming from the United States, which is now experiencing serious labour difficulties. What the Americans do is their own business; I shall not say anything about that. But comparatively speaking, Canada has been fortunate in that there has not been more trouble in the coal mining industry of Canada. I am not going to give the Department of Labour or the government any credit for that.

Mr. MITCHELL: We would not expect you to.

Mr. HANSELL: I believe that any credit that is due is coming to our own coal miners. There have been one or two small local upsets, but no general disruption of the industry has occurred, and I believe the coal miners are to be complimented upon the fact.

There is a tremendous man-power problem in respect of this industry, but I am not going to blame the minister for that. It dates from a long way further back than the minister's connection with the Department of Labour. He inherited the situation; it is a baby which was left on his doorstep.

Mr. JOHNSTON (Bow River): And he is not a very good papa.

Mr. HANSELL: He may not be a very good papa. As a matter of fact it was not a very nice baby they left there for him to handle. I am, therefore, not going to blame him so much. It has been said that there has been a sort of bungling man-power policy. I know the minister does not like that term; he has evidenced his dislike of it before. I am not saying that he has bungled; I am saying it dates a long way back and has its root cause in the fact that the government has been lacking in foresight with respect to the man-power policy of this country ever since the war began.

What was the situation before the war started? The coal mines of this country were operating on part time; men were on relief, and we could not dispose of our coal. Of course we realize that we did not need as much coal then as we need now, but we know also that the United States coal combines held a good share of the Canadian market. Even in those days if there had been a proper national fuel policy, the coal mines of Canada could have been operating at full capacity, and there would have been no need for coal miners to leave their jobs and go into other branches of war industry. But, you see, our governments—not only the Liberal administration of to-day but other administrations in days gone by—seem to have listened to the voice of the big business combines. They have sat at the megaphone and desired to hear their master's voice rather than the voice crying the needs of Canada as a nation.

Since an hon. member across the way interrupted to talk about oil, Mr. Chairman, I suggest that the same situation has existed in respect to oil. The other morning we read in the newspaper that a huge oil development was taking place in northwest Canada. That announcement was made by United States army officials. I placed a few questions in that regard on the order paper, as Mr. Speaker likes us to do, and what sort of answers did I get? I asked:

1. Is there any portion of country in Canada's northwest which is under the control of the United States army, and if so, what portion of territory, and what are the boundaries?

The answer was:

There is no portion of Canadian territory under control of the United States army.

I think there is a technicality here by reason of which the government does not have to answer, yes.

2. Is there any war-time oil development taking place in the Fort Norman area. . . .

The answer to that part of the second question was in the affirmative; in other words, yes; there is an oil development going on there. Then I went on to ask:

. . . and if so, how many oil wells are being drilled, and is such development being done under Canadian or American military authorities?

The answer was:

It is not in the public interest that the number of wells should be disclosed. The project is being carried out by the United States army with Canadian approval and cooperation.

Like other members of the house I become nauseated at times when the government persists in saying that it is not in the public interest to reveal this or that. I see no reason why the Canadian people should not know the extent of the oil development being carried on in the Canadian northwest, but the Prime Minister says it is not in the public interest for them to know. I think it would be a little more to the point if the answer had been: It is not in the interests of the Liberal party for us to tell the country. Then I asked:

3. Is a pipeline being constructed in any part of this territory, and if so, is this being done under control of Canadian or American military officials?

The answer was:

The construction of a pipeline is part of the project mentioned in the answer to No. 2.

4. If a pipeline is being built, what is the extent of this pipeline?

The answer was:

It would not be in the public interest to answer this question.

They do not want to tell us if the pipeline is three miles or three thousand miles.

5. If war-time oil development is taking place in this territory, is equipment and men being supplied by Canadian or American authorities?

The answer was:

Both.

6. To whom or what firms have the oil rights been sold or leased in this territory?

Well, they open up here just a little. This is the answer:

For many years the Northwest Company, a subsidiary of Imperial Oil Limited, held five leases and one permit obtained under departmental regulations authorized from time to time by order in council. The wells on these have been producing oil supplies for use in the Northwest Territories. These leases and permit now stand in the name of Imperial Oil Limited and that company has obtained thirty-six permits under regulations authorized by order in council P.C. 742, dated January 28, 1943.

To me it seems strange that it should take a Pearl Harbor to bring the United States authorities to explore the wealth of this nation while we could not get any development done in order to supply our own country with oil and gasoline in this emergency. Of course it is no secret; the United States military authorities are doing this work to save themselves, and incidentally we are letting them do it to save ourselves. But what have governments been thinking about in bygone years, that these vast reserves have not been developed for our own use?

Let us get back to the coal mining industry. I believe there are three essential needs to be kept in mind in endeavouring to find a solution of this coal mining emergency. The first is that there should be made available sufficient man-power to man these mines. I do not think I need to elaborate on that point; the minister recognizes the importance of it. A second very important point in the solution of our national coal problem to-day, as I see it, is that there should be an orderly and adequate supply of necessary new equipment for the purpose of expanding our coal mining industry, if possible. I should like to say just a word about that. Last night I asked the Minister of Munitions and Supply if he had subsidized any coal mining industries in order that they might expand their plants. His reply was in the negative, but he went on to say that if any coal mining industry thought it could expand its plants, he would be the first to help it, and he would not let finance stand in his way, that it would have his assistance in doing so. Well, I was very glad to hear that statement, so that I asked the minister what procedure it would be necessary to follow. His reply was, "Just let the secretary of the coal mining company write the emergency coal production board." That is all right Mr. Chairman; but once again, as you see, the coal mining industry has to take the initiative; some secretary has to do it. Surely, if there is a fuel emergency in Canada, the government must accept some little responsibility in taking the initiative in that regard. These coal mining companies may or may not make application, but while they are making application, that does not help solve the immediate problem. Some expert has to go out; some engineer has to survey. They have to make their report. The matter must go through the various channels of red tape, and perhaps this coal mining company will be able to expand a little next fall, or a couple of years afterwards, I do not know when. Certainly something should be done immediately to increase the output of coal in Canada, if that is possible. Let us remember that there must be a time lag in this. The coal mining industry in Canada is not equipped to put out more coal. In fact, if anything, its coal mining equipment is wearing out.

Another thing is that it must be remembered that the coal mining industry of Canada just cannot perform miracles. There is a third important matter in connection with the solution of the national coal emergency, namely, the matter of distribution. I refer to a proper, adequate and orderly distribution of coal throughout Canada. I am told that to-day some shipments of coal are left unloaded in coal dealers' yards. Why? Because man-power cannot be obtained to do the unloading. Yard staffs are being depleted. There may be

a man-power situation right there. Demurrage is charged on cars of coal left loaded. Undoubtedly delivery trucks are idle because there is not the man-power required for their operation. All these matters may seem tiny; nevertheless I suggest to the minister that the orderly distribution of coal should form part of the national coal policy of the country. Not only should the coal be got out, and not only should the men be put to work, but there should be supervision to see that it is adequately distributed, so that no city, town or hamlet will go cold this winter.

Before taking my seat I would say that there should be a little more coordination among government departments. When it comes to the man-power problem, as it affects coal mining, I am quite certain one could discover that there is not sufficient coordination among the three defence departments on the one hand, and the Department of Labour on the other, under which the national mobilization board operates. I have a point in mind which leads me to that belief. This is the case of a man who, although in the army, has certain deficiencies which prevent his going overseas. He is serving in what is known as the disposal corps. I am not sure that I know the functions of that corps, but I would fancy it is sort of a clean-up organization. This man is a coal miner, holding his first-class papers. He applied for leave of absence to go back to the coal mines. I have regarded this case as a legitimate one, because the man in question had an elderly widowed mother who was in ill health and living alone. His home and that of his mother was in a coal mining town. This man had received a number of leaves of absence. He had gone back to the coal mines, and each time his leave expired he made his report. On a number of occasions leave was extended. This condition obtained until about six weeks ago, at which time, so I am informed, the national resources mobilization board recommended to the Department of National Defence that his request for leave to return to the coal mines be not granted. The result was that he was returned to the army, and so far as I know he is still there.

But what happened? Within a couple of weeks of the refusal of this man's application to return to the mines, the Prime Minister ran to the microphone or to the press announcing a national coal emergency in Canada. Surely, if it were known to some members of the government that within a few days or weeks we would reach the stage where a national coal emergency would be declared, then all departments of government should have known about it. Surely the mobilization board should have known, and a recommendation of that kind should not have been made. This leads me to believe that there is not proper coordination among various departments of government in respect of this matter.

I close by taking just a little legitimate credit to this group, for the stand with respect to man-power it has taken in the past. This is the one group in the House of Commons that has had some foresight, even dating back to pre-war days—and it is the only one. This group has never had to retrace its steps. We have never had to change our policy.

An hon. MEMBER: You never had one.

Mr. HANSELL: We shall not have to retrace our steps, and we shall not have to change our policy, because we know where we are going.

Mr. GRANT: You never had a policy.

Mr. HANSELL: Hon. members across the way may laugh—

An hon. MEMBER: No wonder.

Mr. FOURNIER: (Maisonneuve-Rosemont): If we laugh it is because we do not want to cry.

Mr. HANSELL: The hon. member who might be known as Count Haw-Haw, might haw-haw a little bit. Well, let him haw-haw about some of the things I shall say. It was only a few years ago that this group advised the government it was possible for the country to provide large sums of money.

Mr. CRUICKSHANK: Twenty-five dollars a month?

Mr. HANSELL: What did my hon. friend say?

Mr. CRUICKSHANK: Twenty-five dollars a month?

Mr. HANSELL: Yes, twenty-five dollars a month. Mr. Chairman, my hon. friends who cry out in that way should wake up to the fact that we are supplying dozens of times twenty-five dollars a month, and we are supplying it, not to feed the people or to build their homes, but to make munitions of war, necessary as they are, to be sunk to the bottom of the ocean, or blown into the air. I say to my hon. friends that if it can be done for that, why can it not be done to bring Canada to a place where she will have developed a really Canadian civilization. Instead of that, what did we do?

Mr. CRUICKSHANK: Talk!

Mr. HANSELL: I will tell you what the government should do; they should hang

three brass balls on the top of the peace tower, so that people who pass by may know that we have been put in pawn to the rest of the world! That is what we had better do. We said we could issue money. The government is now doing it. They cried out, "Inflation!" We told them they could handle inflation, by a proper system of price control. "No, no!" said the Minister of Finance, "I will never stand for price control in Canada!" Within a year after he had risen in his place and said that they put in price control. That is what we told them they would have to do, and they did it. We told them they should subsidize industry, and what are they doing to-day? They are subsidizing industry by the hundreds and by the millions of dollars.

Mr. JAQUES: We said there should be a total war.

Mr. HANSELL: When the war broke out we said that we should not fool ourselves, that this war would be a long one, that we had better organize for total war.

Mr. JAQUES: Nobody knew where the money was coming from.

Mr. HANSELL: The Prime Minister of Canada was more interested in winning elections than he was in winning the war.

An hon. MEMBER: Oh, nonsense.

Mr. HANSELL: My hon. friend may say, "Oh, nonsense," but anyone that keeps half an eye open can see what has happened in Canada to-day. I knew that as soon as this group took a little credit for what it advised the government it would have to do, the pill would be too bitter for some private Liberal members to swallow.

Mr. CRUICKSHANK: It certainly would.

Mr. HANSELL: I am going to ask the minister to answer this question, to give this country an adequate answer if he can. Is the national coal emergency problem being solved? How is it being solved in respect of manpower, increased output and adequate and equitable distribution of coal? Let us remember that within two or three months cold weather will be upon us and then, if this problem is not solved, it will be an emergency indeed.

Mr. GILLIS: Mr. Chairman, I listened with a great deal of attention to the oration the minister delivered this afternoon, and I wish to compliment him upon his presentation. It was as comprehensive a survey of the department as it has been my pleasure to listen to since I have had the privilege of sitting in this chamber. I say that regardless of the fact that the Secretary of State (Mr. McLarty), who is sitting behind the minister, also made some pertinent statements while he was Minister of Labour. I think he laid the foundation for the job the minister did to-day. I am sorry I cannot agree with everything the minister said. I am not going to attempt at this time to discuss the many ramifications of his statement, but for a few minutes I should like to deal with one aspect of what he said. I believe this is the problem which is causing the Minister of Labour (Mr. Mitchell) and his genial undersecretary the greatest amount of anxiety and is one they would like to solve. Whether they have the authority to put into operation the necessary measures to solve this problem successfully, is a matter that will have to be determined by themselves.

This evening the hon. member for Vancouver East (Mr. MacInnis) discussed briefly the question of union recognition, a matter in which I am particularly interested. This problem is perhaps in the same position to-day as far as solution is concerned as it was when I first heard it discussed in this house in 1940, except that it may be more complicated. Many of the things that have been done since the outbreak of war have caused considerable confusion, and the complicated machinery that has been set up has retarded any progress in the right direction. For a few moments I should like to take the minister back over the trail and to try to draw the picture as I see it and have seen it for the past three years.

Over the week-end I sat in as a spectator at a conference of some 550 delegates who represented the trades union movement of Ontario. They were attending this conference irrespective of their union affiliations, they represented the C.I.O., the Canadian congress of labour and the A. F. of L. There was a unanimity of opinion because they had a common problem to solve. The thought that was uppermost in the minds of the delegates, section by section, was the establishment of industrial democracy. Democracy is not something that you can discuss in the abstract and let it go at that. We live in a democratic country; we are fighting for democracy and freedom; democracy is something that lives and must be exercised in the lives of the people in all phases of society. These men were discussing the industrial problems of Ontario, and they complained that democracy for the worker did not exist, regardless of all the platitudes the employers of Ontario have put out in advertising, in appeals to workers during victory bond campaigns and so forth.

The Department of Labour is simply an instrument of the government to administer policy. I do not believe in pounding the minister or any other official of the department on account of the policy that is being administered. I think that is a wrong attitude to take. Any time I hear anyone saying that we should get rid of the Minister of Labour or the Minister of Finance, I always tell them to leave well enough alone, because every time that is done we generally get someone worse. They never make any improvement. What you must do is to change the policy that is being administered. If you do not do that, there is no use in bringing in someone else thinking he will do a better job.

Mr. MacINNIS: Is the hon. member suggesting that the present minister is worse than the former one?

Mr. GILLIS: I leave that to the imagination of those who are listening. I am not going to make any accusations. I think the initial mistake that was made was to pass order in council 2685, which in very clear language gave the workers the right to organize. That order in council was nicely written, and it is a credit to the Secretary of State since it was during his regime that it was passed. It contained very nice language.

Mr. MITCHELL: I helped to write it.

Mr. GILLIS: The minister did a very good job. The mistake that was made in passing this order in council, as well as the other 35,000 orders in council that have been passed since the outbreak of war, was that it was not given legal status. It should not have been left simply as a declaration of policy because it created the impression in the minds of the workers across the country that they had the right to go out and establish collective bargaining based on that order. By giving that order legal status; by making it mandatory, I think you would go a long way toward solving the problem with which we are confronted at the present time.

I have said on many occasions that since the outbreak of the war I did not think there had been a strike in this country where the workers had gone out because they had any desire to participate in a strike. I do not want to go through them all and thresh old straw but if you start off with Kirkland Lake and go on from there and examine all the representations that have been made and travel the road followed by the workers since, you will find that the legislation was the determining factor in bringing about the strike at Kirkland Lake. Although that strike took place two years ago, I think it is not too late to point out that if the employers at Kirkland Lake were as loyal as the workers to the interests of this country and had recognized their responsibility in this serious war situation, there would have been no strike there. The government had appointed a commission headed by the man who now heads the national war labour board, Mr. Justice McTague, and that commission brought in a unanimous report recommending the miners' and smelters' union as the bargaining agency. But the employers at Kirkland Lake defied the laws of Canada and paid absolutely no attention to a government appointed board whose findings were implementing P.C. 2685. That strike was not brought about because the workers wanted to participate in it; they were forced to strike because the employers refused to recognize the laws of Canada and the findings brought in by that government-appointed board. You can go all through the piece and you will find that the same situation prevails. There is a reason for it, and this is my own opinion. I honestly believe that the employers in this country are not thinking in terms of winning the war, as the workers are. They are working on a long-range programme, and they are more concerned with their position when this war is over than they are in forgetting their own immediate problems and making an all-out effort to bring this war to a successful conclusion as speedily as possible.

I say that the orders in council which form the basis of the government's labour policy are not an accident. They are a formula upon which the employers are working to keep the workers in an unorganized state, so that the employers may be in a position when this war is over, to dictate the labour policy of this country. I am not going to make that statement without qualifying it.

When I use the word "formula" I mean this. The formula upon which company unions were built in the United States for example, has been summed up in a very short sentence, as follows:

> The fastest way to retard the growth of the trades union movement is to recognize it in principle, render it impotent, and do not allow it to function, and it will die of its own volition.

That formula is recognized in principle in P.C. 2685, which was followed by P.C. 7440, which partly tied up bargaining rights and restricted the right which had been exercisable by unions prior to its passage. That order in council was followed by P.C. 8253.

Mr. MITCHELL: By P.C. 5963.

Mr. GILLIS: No; P.C. 8253 followed P.C. 7440, and it further extended the restrictions, set up the bonus, and froze all wages at pre-war levels. That was not accidental. These things were well thought out by the heads of certain industries who exercise influence on certain boards. I said I was expressing my own opinion, but my analysis, I believe, is based on common sense. I think that order in council was designed to keep wages at their pre-war level, so that they will be at that level when the war is over. That is the position the employers want to be in. The order in council means that the bonus goes off as soon as the war is over, but no one has passed an order in council saying that the cost of living will go back to pre-war levels when the war is over. Those wage rates are wage rates that should not be frozen upon any country. That order in council, P.C. 8253, after people had got used to it, slowly but surely prepared the minds of the industrial workers for what I term dictatorship, because when you get persons to accept direction from a certain quarter over a period of time, they gradually cease to struggle against it. The employers of this country realize that from an organization point of view the Canadian workers are in a very weak position. Perhaps only sixteen per cent of those who are eligible for membership in trades unions actually belong to a union to-day.

Then they reached their arm in and took control over the franchise within the unions in P.C. 7307. I am not blaming the minister for the passage of these orders in council. My accusation is that the influence of the employers was sufficiently strong to have this formula worked out and passed along to someone who administers it. The government, of course, in the final analysis must bear the responsibility. Under P.C. 7307 the Minister of Labour has the right to determine how the vote shall be taken, who shall vote, how the vote shall be counted and scrutinized. There is only one instance that I know of where that power was exercised in a way that was detrimental to the best interests of the workers and to peace, order and good government in the section of the country concerned, and that was in Kirkland Lake, where that privilege was absolutely abused. I am not saying that it has been done since. What I am trying to point out is that every privilege and every right that the unions had under the laws of democracy has been usurped.

Then, of course, section 502A of the criminal code is supposed to give the workers a certain protection against discrimination. I am not a lawyer, but I have seen this issue tried in the courts and it is impossible to get a conviction against an employer under section 502A. So that there is no protection there.

That formula has destroyed a very important section of organized society, the working people of this country. It is that formula against which I am trying to warn the people of Canada, because once you get a dictatorship over one section of society it is reflected sooner or later on every section. When you allow the liberties of one section of society to be taken away from them unfairly, it is not long before your own turn comes and you travel the same road. The formula that established company unionism I see clearly pictured in these five basic orders in council which frame the policy of the department. Any time the workers have a problem and appeal to the department, the department must take them through that formula. The net result is that frustration and delay occur, and later on the men walk off the job. Nothing else can happen. The steel walk-out was on that basis. After twenty months of negotiations; after travelling through all that machinery, the men went on strike. There is a situation now in Galt, Ontario, which has not yet been settled. Perhaps there have been mistakes on both sides. Nevertheless, there is a serious interruption of work and a clash there.

The machinery as it exists at the present time makes it impossible to settle the matter, unless someone is big enough to exercise common sense and to say what is the solution of that problem. The solution of that problem is the exercise of democracy, the taking of a vote. That is the answer, and any employer who is not prepared to accept that principle and to give the workers the privilege of voting on that question is not a democrat and does not believe in the exercise of democracy. I do not care about tags; I do not care what tag they give me—C.I.O., A.F. of L., or Canadian congress of labour. John L. Lewis has taken us around by the ears so much that I do not know where we stand on these things. I sometimes think I am in the middle of the road, but it is immaterial to me. It is the principles of the organization that I stand for, and regardless of these tags that are hung upon them, the rank and file of the workers in any section of industry, in any of these organizations, are all fighting for the same thing, the right to the means of livelihood. Where there is a jurisdictional dispute I would be prepared to take exactly the same attitude with them as with the employers: You fellows cannot agree among yourselves. Fine. We will take a vote and settle this thing, and it will be settled on the same basis as that on which you elect

your members of parliament and other representatives in other departments of organized society. No favouritism. That is exactly the basis on which it should be done. It is simple; it is plain; there is nothing to it. Take this Galt business. I have gone over the reports, both majority and minority reports, and I listened to the discussion on Sunday. It was focussed on that very question, and I think the Department of Labour should take immediate steps to see that the situation is handled in that way.

I am a little bit afraid of the way in which things are going. Labour is not making progress. You are facing a bad situation. The Minister of Munitions and Supply said about a month ago that they were changing their lines of production and that there would be interruption in plant after plant, retooling plants, and considerable unemployment for the next three or four months—that was his statement—and in the meantime, where you throw people from one section of industry to another and attempt to route them around, in an unorganized state, you have a problem on your hands.

The greatest asset you can have is to have your organization set up properly. Suppose you want to change a steel plant in Sydney to-morrow or over at the Sault. Your shortest cut and fastest way of doing the job is to get in touch with the union officials. They will do the job more effectively than anyone else I know of. But when you tackle a plant that has no organization, where the workers mill around in any direction, and you send a selective service officer in there, or an official from the labour department, to make that transfer or change, then you have a problem which it will take a long time to solve. You have suspicion and lack of direction. People do not want to move, and there is no direction. But that does not exist where workers are organized. Look at Australia, New Zealand and Great Britain. Why, collective bargaining is considered just as necessary to those countries as the functioning of our parliament here to-day is to us. It is part of the parliamentary set-up of those countries, and it is utilized to the fullest extent. I cannot understand, therefore, except for one reason, why the employers of Canada take the attitude they do in keeping their workers unorganized. There is only one answer, and it is this: I will get as much as I can during the process of winning the war. We will establish our controls in behind the scenes. We frame the policy upon which the workers will be kept disorganized, and when the war is over we shall be in a position to control not only from the top but from the bottom, through the medium of plant council, superintendents and so forth, and the workers are not going to share in the democracy that we are fighting for overseas to-day. I know the minister is thinking about this. He is a trades unionist of long standing, and he realizes the significance of what I am saying on this question of the right of workers to sit around a conference table and to elect an agent who will sell their labour power to the boss. He said it was fundamental; that it was part of the set-up. Well, then, give legal status to order in Council P.C. 2685 and proclaim it and say that it must be accepted, otherwise there is a violation of the laws of the country. If it can be done with all the other orders in council that have been passed, it can be done with this one. Eliminate these disputes from all sections of the country These men want to elect someone to sell their labour power.

While I am on that subject, the *Commercial Intelligence Journal* of June 5 had an article from which I should like to quote. In New Zealand it is part of their regular set-up, part of their employment articles, part of their selective service regulations to recognize trade unions. I quote:

> Employers in essential industries must notify the district man-power officer of the names and addresses of all new workers. They are relieved of the responsibility, however, of ascertaining whether a man is a member of a trade union before engaging him. Now all workers in essential industries are to be considered members of an appropriate trade union and notifications to the man-power officers of names of new workers will be accessible to trade union secretaries. If a worker does not pay his trade union membership fee after reasonable requests it may be deducted from his pay.

Those are instructions right from the government to their selective service officers.

Mr. MITCHELL: One has to be a member by law.

Mr. GILLIS: That is what I am pointing out, and I think the same thing should apply to Canada.

There is another point I wish to make and I am not saying this for the purpose of arguing with the minister. The minister said this afternoon that within his department labour had representatives on practically every section of the department, administering regulations. That may be true. They may have representatives sitting in; I am not quarrelling with that; but they are not on the basis where they can be considered as representing the viewpoint, the hopes and the aspirations of the organizations

that sent them there. They are there in an administrative capacity or in an advisory capacity. They have no say in the making of the law. That is the point I want to make.

Mr. MITCHELL: I do not wish to interrupt, but the governor in council and this chamber are the only people who can make the laws. That is fundamental. First of all, you have to be elected, and then of course you have to be called into the government. You have to have the two agencies. I know of no country where an individual belonging to an organization, whether it be employers or employees or farmers, fashions the laws. All they do is merely to advise. The final responsibility for the safety of the state must be with the government and this parliament.

Mr. GILLIS: Yes; I agree with that. The minister says he does not know of any country in the world where the laws are made except by members of parliament and the government itself. We are living in one where that is done, right in Canada. That is exactly what I am quarrelling with. Your orders in council that are being passed have the same effect as the statute laws and are not drafted by the Minister of Labour or by any other minister, and they do not come before this parliament for ratification. Your emergency fuel production board formulates laws that will govern the producing of coal; and so on through each department. Your labour representatives are not given that privilege. Industry have their representatives in framing these orders in council.

Mr. MITCHELL: Not as far as my department is concerned.

Mr. GILLIS: I am not now arguing with the minister; I do not know. But I am saying that labour is in an unfortunate position from the viewpoint of having any influence in the making of orders in council or of the laws, of having any opportunity of representing their people on that basis. They merely sit in and take whatever laws are framed by the department or its advisers, and they are placed in the position of having to go out and sell something to the workers of this country which they have no voice in determining. In Great Britain the trade union congress officials sit right in with the war boards which formulate war labour policies. Unless the representatives of labour in Canada can perform a similar function, I certainly would not want to be sent by my organization to take a position in the minister's department and have to justify existing orders in council which regulate labour affairs. The minister has many good men in his department, but these men are placed in a rather impossible position. They are trying to make something work which is not workable, and they are in a sorry position when they face their organizations with a proposition of that kind. Until these fellows are given some opportunity of guiding those who are making the laws through order in council or otherwise, I do not think it can be said that labour has representation on any board that functions, since it has no say in the making of the laws.

Another matter: in making appointments the minister consults with the heads of the congresses, and persons are recommended by these bodies, but when they are taken in here and given a job on a board they are no longer responsible to their organizations. The organization has absolutely nothing to say as to the appointee's activities on the board; yet he has some responsibility to his union. These men should have at least sufficient freedom to give an account of their stewardship to their organizations.

Mr. MITCHELL: Is not the policy of which my hon. friend speaks the policy as far as the British trades union congresses are concerned?

Mr. GILLIS: They go back to their congress.

Mr. MITCHELL: Oh, no.

Mr. GILLIS: Oh, yes; they do.

Mr. MITCHELL: I know whereof I speak. I have gone into that thoroughly; I have also gone into the other matters which my hon. friend has been discussing this evening. With a lot that he has said I agree. But any outside organization cannot in the very nature of things, under a democratic form of government, be responsible for the fashioning of the laws; that is the responsibility of the government and parliament. This principle is elementary. I know the official attitude of the British trades union congress toward this matter. They send in a panel to the government, and the government picks out the members they want. The final authority is the government; they pick out the member they want on a particular board. From then on he is a free agent. I know what is in my hon. friend's mind. He has the United States viewpoint, with their international trades union movement. Like myself, he was raised in the international trades union movement and probably he has that North American viewpoint. When one talks about compulsory bargaining in Great Britain, my hon. friend knows there is no legal basis for a trade union in Great Britain such as there is in the United States.

Mr. GILLIS: I understand that. I am not arguing that point. The point I am making is that the British trades union congress have a policy. They have a policy with respect to this war; and when they send Sir Walter Citrine or anyone else to the government with a proposal for the enactment of certain laws or certain policies, he comes back and reports to the congress.

Mr. MITCHELL: That is, as a delegation.

Mr. GILLIS: No; they have permanent officials sitting in.

Mr. MITCHELL: I know whereof I speak.

Mr. GILLIS: They have permanent officials sitting in framing policies. Bevin is still responsible to his organization. Not so long ago he had some difficulty in justifying certain things which he was instrumental in bringing into the House of Commons. He is still responsible to his organization. These men are not cut adrift.

Mr. MITCHELL: I am not going to argue. This is like being in a local union meeting. But if I might put it in this way, my hon. friend is not responsible to the United Mine Workers of America because he, being a member of them, is a member of the House of Commons. I am a member of the International Union of Operating Engineers, but as minister of the crown I am not responsible to that organization. It just does not add up.

Mr. GILLIS: I think you are. I think, as members of the trades union movement, both yourself and myself are morally responsible in this house and out of this house to live up to the principles, policies and obligations of our organizations.

Mr. MITCHELL: That is another matter entirely.

Mr. GILLIS: No; it is not another matter entirely. I keep closely in touch with what my union is doing, and they keep closely in touch with what I am doing, and any time I rise in my place in the house to make a pronouncement on that industry I am absolutely certain that what I am saying is in accordance with their policy. I hope I shall always retain that loyalty and recognition of the principles of the people who sent me here.

Mr. MITCHELL: That is different altogether.

Mr. GILLIS: In my opinion, when a member of a trades union movement gets away from that principle, he is slipping as far as the movement is concerned.

[Mr. Mitchell.]

But I am not going to argue that point. The point I wanted to make was that labour, in my opinion, has no representation on these boards. I look upon them as merely, I do not want to say apologists, for legislation for which they are not responsible. Unless they are privileged to sit in with the minister or with those who are framing orders in council and have at least some recognition or have included in the regulations some of the principles which the organized movement supports, they cannot morally go out and support legislation which completely nullifies the whole work of the movement.

Under order in council P.C. 5963 the cost of living bonus needs, I think, reexamination. I know the minister is well aware of the fact that it is not uniform, and I do not believe it is possible to establish in Canada from one coast to the other a satisfactory cost of living bonus based on the figures compiled by the bureau of statistics. I think what the minister will have to do is to have a regional cost of living bonus arrangement set up, and when his board is determining wages in a certain section, the cost of living index as applicable to that particular section is the one on which it should base its findings when recommending a cost of living bonus. Go to the eastern end of Nova Scotia and compare the cost of living since the outbreak of war with what it is here or in certain sections of Ontario, and you will find a great discrepancy. The index as handed out by the bureau of statistics is certainly not applicable to that section of the country.

With respect to labour management committees, I agree with the hon. member for Vancouver East that the Department of Labour has missed the boat in not establishing national industrial councils for every section of industry in Canada, as exemplified by the building industry. That was done early in the war; it has worked out satisfactorily, and there has been little difficulty in that industry. I think the same thing would apply in any branch of industry if they were granted the right of organization—the building industry is organized—and if you had a national council set up, so that you could call in representatives of the unions and of the employers and work out formulas in connection with the re-tooling of plants and the transfer from one kind of production to another. That would be a wonderful thing to have to-day.

Mr. MARTIN: The present minister was the organizer of that construction council.

Mr. GILLIS: I know that, and it is unfortunate that it was not done in every industry. If we could call in representatives

of the employers and of labour in the steel industry, for example to work out plans for the re-tooling of plants, the shuffling of employees to other lines of work necessary to the war effort, and so on, it would certainly facilitate the work of the selective service officials.

The hon. member for Macleod spoke at some length on the fuel situation. I am not going to discuss that matter to-night because I went into it to a certain extent with the Minister of Munitions and Supply. I gave him my opinions; I told him what I thought was wrong and what I thought would have to be done to meet the situation. I believe that matter is now entirely in the hands of Munitions and Supply; the Department of Labour has nothing to do with the emergency war production board, so that I am not going to discuss that problem now. However, I would urge the minister to use whatever influence he has in the cabinet to have legal status given to order in council P.C. 2685, and then I would urge that he use every means at his disposal to settle the trouble at Galt. As I saw that situation on Sunday, it may develop into a very difficult matter to handle; many things may happen in connection with it. It is not good enough to say this side was wrong, or that side was wrong. Perhaps both sides were wrong; but still the problem exists; people are suffering who should be working and producing, and the war effort is suffering. Every effort should be made by the Department of Labour to settle the difficulty. It is an unfortunate situation, and the solution is so simple that it is hard to understand why such a situation should be allowed to continue. So that I would urge the minister to do what he can to settle that dispute. Then if he has any influence with national selective service and with the Department of Munitions and Supply, I urge him to exercise that influence to the end that the 289 men who were discharged from the Toronto shipyards and who, in my opinion, were dismissed illegally by their employer, without consultation with selective service, may be put back at work as key men in a key industry at this time.

Mr. NICHOLSON: I have read with considerable interest the statements the minister had placed on our desks this evening, and I should like some further information with regard to this summary of mobilization statistics. I think it is somewhat misleading to term this information statistics. For example, the summary states:

> The difference of approximately 380,000 between the number of men sent notices-medical, and the number examined is accounted for by notices undelivered, men who joined the forces voluntarily either before or on receiving notice-medical, men sent notices to whom the regulations do not apply, and some defaulters. Men registered from January to March 15, 1943, as not receiving notice-medical narrows the difference between notices sent and men examined. But without doubt voluntary enlistments account for a very substantial portion of the total difference.

Then it goes on:

> The reduction of approximately 319,000 in the number called for military training, compared to the number examined, is accounted for by men being medically unfit, men being granted postponements—and again (but no doubt fewer in number) voluntary enlistments. Defaulters would also add to the difference.

I think we should have some further information with regard to the difference of 380,000. A national registration was taken in 1940, when the people in all parts of Canada cooperated generously to give the government the information that was desired, and very large amounts of public money have been expended in maintaining the services. It seems hardly possible that 380,000 men could be notified to report for medical examination without some more definite information as to why they did not report. The figures by administrative divisions are as follows:

Administrative divisions	Medical examination	
	Number called	Number examined
"A" London	74,578	43,479
"B" Toronto	189,205	100,747
"C" Kingston	60,008	38,594
"D" Port Arthur	12,189	7,479
"E" Montreal	210,245	140,508
"F" Quebec	107,883	63,346
"G" Halifax	43,113	29,172
"H" Saint John	33,303	21,743
"I" Charlottetown	8,167	5,061
"J" Winnipeg	67,394	43,754
"K" Vancouver	72,147	46,394
"M" Regina	69,000	38,956
"N" Edmonton	41,243	29,409
Total	988,475	608,642

As I have said, we would expect an official document to give more specific information that is contained in this table. For example, I think we should know how many defaulters there were in the 380,000. I should like the minister particularly to give information as to the number of notices sent to men who at the time had been reported killed in action. I have had one case of this kind brought to my attention, and several hon. members have spoken about the same matter. There was one case of an airman who was reported missing and presumed dead. After his mother had received this sad information, a notice came to the home directing this young man to report for his medical examination. Would the minister give the committee the number

of defaulters according to administrative divisions, and also the number of notices sent out to men who have been killed or reported missing?

The CHAIRMAN: Order. Before the minister answers, I should like the opinion of the committee, as it was obtained in connection with the other departments which have been under consideration. The committee seemed to be satisfied with the general discussion we had to-day, which no doubt will be carried on for the first one or two items to be called. I should like the consensus of the committee as to whether or not an item should be called now. I realize it will have to be done as it was done in the other departments. I believe the committee wishes to apply the same principle at the present time.

Mr. NICHOLSON: The minister made a general statement this afternoon, and he has given specific information. Before we proceed to the detailed discussion he should give us some additional information. That is why I raised the question to-night, so that we might have this information available when we come to this particular item.

Mr. SENN: A number of hon. members are not present to-night on account of an important dinner held in connection with the meetings of the parliamentary association. I am sure some hon. members would like to speak to this question, and I hope the matter will not be closed until they have the opportunity to say something.

Mr. CHURCH: I think we should leave the matter open.

Mr. MITCHELL: To keep the discussion in order, I was going to suggest that I will get the information for which my hon. friend has asked in ample time for him to ask other questions. If, in the early part of the committee stage, we are to go on a roving commission, then we are likely to be here for a month. I thought that to-day and perhaps to-morrow certain members on both sides of the house would make statements. After that, many of the questions they have in the backs of their minds will come before the committee. Then I can have those questions looked into, and answers can be given the next day, the same as the other ministers have done. However, in my opinion it is unwise now to go on a roving commission. If we are to start with the estimates, we should keep them in order, commencing with this sheet, and following in sequence.

I agree with the hon. member for Haldimand that some hon. members on both sides of the house who would wish to make statements are not here to-night.

[Mr. Nicholson.]

Mr. MICHAUD: I believe it is agreed that some hon. members who would like to make statements on the broad principles of the question are unavoidably absent. It might be well to leave the matter open until to-morrow. It would be well to proceed as we are now doing, and let any hon. member who wishes to speak to avail himself of the opportunity now offered.

Mr. MacINNIS: This is a regular session of the committee. I agree with the minister when he suggests that we ought to be prepared to go on with the items. If we are finished with the general discussion, we ought to be prepared to go on with the items as they appear. If members are absent, it is their own fault. They know the house is sitting to-night, and they should be here. Let us get on with the business of the house.

The CHAIRMAN: As the committee realizes, in respect of the other four departments much latitude had to be given in the first part of the discussion. I understand fully the point raised by the hon. member for Haldimand, when he states that some hon. members to-night are unavoidably absent. They cannot be blamed for that. It seems to me a majority in the committee wishes to follow a certain procedure. I have noticed that officials of departments have had to be brought in at different times to give necessary information to ministers, and that fact must make us realize how difficult it is for the minister to have at hand all the information required. I would assume, however, that there would be a general discussion allowed at least on the first two items before they are passed.

Mr. CHURCH: A number of hon. members on this side of the house did not know the house was meeting to-night, and I suggest we might as well rise and report progress. This man-power question is the most important matter with which we are faced. A discussion of two or three hours would clear up a great deal of misunderstanding.

Mr. POULIOT: I do not see why the business of the house should be delayed because some hon. members wish to attend a dinner. That is not sufficient reason. If the business before the committee is of such great importance, why do they not attend the sittings, instead of a dinner? We must be reasonable in these matters. I should hope the fullest latitude would be given hon. members in this discussion.

Mr. MacNICOL: Only three members of the cabinet are in their seats to-night. They are just as much to blame as are private

members. They were not told that if they were not here this debate would not go on. I noticed that the officials were being brought in, and I was going to say something about it. They should not have been brought in to-night. This matter cannot be rushed, because many hon. members will have something to say. I am not saying anything to-night, but I am going to see that those who do wish to speak will have some protection.

Mr. POULIOT: My hon. friend will probably agree that we are the finest parliamentary association in this country.

The CHAIRMAN: I believe we should carry on in the asking of questions and the making of statements.

Mr. CHURCH: I had not wished to take part in this debate, but I can tell you this, that as one of the private members in the opposition I am very much surprised at the man-power policy of this government. I saw this war coming on in 1936, 1937 and 1938. I proposed that there should be a national selective service registration, because anyone who could read the signs of the times must have known that Canada would be involved in the war, and that the first thing required would be a national selective service register. That is something we had never had before. The first domesday book set out the population, and the available man-power between the ages of twenty-one and sixty. It is part and parcel of the assessment laws of the provinces and municipalities, and such a register should have been undertaken. This question came before the house on many occasions, but a selective service programme was not decided upon.

Then there was some consideration as to whether we should continue with the voluntary system under the Militia Act, or, in addition, have a compulsory system. When the war broke out, we found we had thrown away our army, navy and air force, and that to a great extent we were dependent upon the mother country for protection. I have no quarrel with the present minister at all. He has been trying to take up the load where others left off.

This government has never had a man-power policy. I remember the recruiting policy as it applied in Toronto shortly after the war broke out. Some of the young people walked in from Aurora and Newmarket, in the dead of winter —I believe the date was January 6, 1940— and landed at the armouries at Toronto. But the doors were not opened until after ten o'clock. The pictures of those young people were put in the papers, and there was some discussion as to the way in which the man-power situation was being handled.

We have gone pretty far along that line when we announce the conscription of high school students between sixteen and eighteen years of age. We have gone a long way when we have brought them under the conscription regulations, because that is all it is. Some may not like the word, but the fact is that we have conscription in this country. We have conscription of man-power. What for? Well, we are told, it is for home defence. We know there is no such thing as home defence. The people in the invaded countries—Norway, Belgium, Denmark, Holland and France—found out there was no such thing as home defence against the axis powers. The government came along and said in an election campaign that as long as they were in power there would be no such thing as compulsory man-power. A vote was held on the policy and programme of the government as announced by the Prime Minister and other ministers of the crown during the election campaign.

What are the facts? We seem to be the only dominion which has been going on in this haphazard fashion, so far as the war and the question of man-power are concerned. I come from an industrial city, one which has made a magnificent contribution. Its supply of man-power was practically dried up from voluntary enlistments. Not only that, but young men from that city enlisted from points right across Canada. That became necessary on account of the arrangement whereby artillery units were formed in one province, infantry in another and air force in another. The result was that many Toronto citizens, and citizens of other cities in Ontario, enlisted at points from Halifax to Vancouver.

The Minister of Labour has a very able assistant in Mr. MacNamara. Mr. MacNamara cleaned up a very bad situation in connection with money for dependents, and he deserves the thanks of the dependents of the soldiers who are fighting overseas to-day. I do not think the government have been fair with the people of Canada. Up to the last month there has been only one national seelctive industry in Canada, agriculture. About a month ago when the clamour rose for more fuel the government passed an order in council. I have known the Minister of Labour for many years, and he brought down a measure concerning the coal industry, making it the second national selective service industry.

They do not have this system of obtaining man-power in the air force or the navy

because there has been a rush of men to those two services. In the army they have what is called voluntary service, and they have draftees for home defence. The work overseas is done largely by those who enlisted volnntarily. Then the home defence was widened to take in Bermuda and other territories in the Atlantic, as well as on the Pacific. I am very much disappointed in the way in which the man-power problem has been handled. There has been no equality of service, nor has there been equality of sacrifice. There will be homes in Toronto where high school children of sixteen, seventeen and eighteen years of age will be taken away when the father is overseas and perhaps the mother in a munitions plant.

I have no personal quarrel with the minister or any other minister, as I have been a friend of his for a long time. But I say to him that he cannot succeed under the present belated system. I want to be fair to the government because I have known no politics since the war started. I have been ready to support the government if they had a total war effort, but they have not had that. I have seen how these recruiting units work around Toronto. It is a case of on again, off again, on again. Then they went to work and put out a lot of advertising, they put up billboards and appointed citizens committees to aid recruiting. I am prepared to say that you might as well not spend any money on home defence because there is no such thing as home defence. We are continually going to Washington for ideas, but what did they do in that country? They put in the draft. Just shortly before Munich the Chamberlain government in Great Britain brought in a system of national selective service.

The programme of the minister is divided into a multiplicity of classifications, and I notice that there are many registers. The one register about which we heard so much was committed to the archives. It is a case of earth to earth, dust to dust and ashes to ashes. The Minister of Transport (Mr. Michaud) is somewhat of a humorist, but I can remember when he and some of his colleagues seemed to be quite pleased that this report dealing with man-power was put in the archives. Everybody had to register and carry around his registration certificate. They even went into the restaurants, theatres and along the streets to ask men for their registration cards. I see a former mayor over there, a very fine citizen in his country who is now sitting behind the minister. I do not know whether he was asked for his registration card, but I have seen men hauled out of hockey matches and football games, and asked to show their cards.

You cannot fight Hitler with registrations. There are no labour unions in Germany; far from it. If the United States had a system like this, they would not have the army they have to-day. What is the policy of the government in connection with conscripting these sixteen, seventeen and eighteen-year-old youths? What is the policy of the government with respect to amateur and professional sport? The minister has failed to give this matter any attention. We should have a national policy with regard to sport in connection with the war. The present head of the Free French has said that there should not be a glorification of sport in connection with war. The figures presented by the minister are just the opposite to what the government has said. The government said that there would be no conscription in any form. That is what they told the electors of this country; that is what they told the people of Toronto; that is what they told the people of my constituency — they were promised that there would be no such thing as compulsory registration.

Then we have a registration of retail and wholesale trade. Is aynone allowed to conduct business? He cannot with the present controls and subcontrols that are in force. We have the Minister of Finance (Mr. Ilsley) saying one thing and other ministers saying other things in connection with national selective service. Mr. Chairman, you have proved to be very popular, and I am sure that if you had had anything to do with it, we would not have the present mixup.

Here is the Minister of Labour bringing down this programme to-day to send our high school population of sixteeen, seventeen and eighteen years of age out into the woods to cut trees while a lot of the government are away out at the country club. I do not know what hours they keep there, but there must be a very large attendance at the country club to-night. I see many seats in the house vacant. Probably a great many members have gone home. If this is the best programme the Minister of Labour can bring down, to draft our high school population of sixteen, seventeen and eighteen years to go out into the woods and chop down trees, for that is what they are going to do, that is a fine exhibition of national selective service. The dog days are here. A lot of members have gone fishing, or will be going soon. The minister is a popular sport. If he goes through some of the departments of the public service, he will find in one

department that over 5,976 officers in the air force who never knew how to form threes were put in uniform the next day and are now marching around the streets and in the department stores taking salutes. There is a large body of good sports on the government benches, many of whom have done good work in the municipal service of this country. I ask if they will rise in their places and say that they are in favour of the present form of conscription in this country. In the olden days it was declared by some of the leaders here that if war came we would have to have a national vote of the people before we could declare war, and one of our own leaders said it, too.

I look at this document which has been distributed among the members, entitled "Statistics on National Selective Service and Man-power." Statistics! That is all we have been getting. We have been fighting Germany on statistics all the time. There has been a regular carnival of statistics. In the early days of the war Britain did it. She dropped tons of literature on the cities and towns of Germany, and a great deal of it was written in the two great languages of this country.

My good friend beside me, the hon. member for Haldimand, seems very bashful to-night, and I see the young member for Fraser Valley in his place at the moment. A little while ago I saw him sitting in the seat of the Prime Minister and then he crossed the floor and sat in our leader's seat for a while.

I want to ask my friends to my left, and we have some good clergymen and good teachers among them, what do they think of this programme of sending our high school children, whose fathers are overseas, out into the woods to cut down timber?

I see magnificent parades around the city streets for victory loan, recruiting and national selective service. Last September there was a line up at 174 Spadina avenue of several thousand men and women to register at the selective service offices there, staffed by a lot of government-appointed officials with no war record. But if you want any kind of help you cannot get it from national selective service. A prominent citizen told me that as soon as he trains a man someone else calls him for something else. I never believed in this scheme of national selective service or in the government's handling of the whole man-power situation since the war began. I have lost all confidence in them. I believe in always telling the people the truth, especially during the war. I believe that one of the cardinal principles of good government is to keep people informed as to what goes on in connection with the war. But the people have not been given the real facts of the man-power situation.

We have Mr. Donald Gordon. He has a man-power policy of his own. Does Gordon's department come under this programme of the minister? I can tell you, no, because he is a parliament in himself. The house of Gordon has assumed the powers and functions of the House of Commons and of the Senate too. It is eleven o'clock, I have not finished.

Mr. KNOWLES: May I ask the minister or his assistant to make clear what items we shall be considering when we get to the stage of dealing with items?

Mr. MARTIN: If hon. members will refer to *Hansard* of March 3 of the present year, they will find at the bottom of page 919 under the general title "Labour", the items which we shall follow in committee. The statement furnished to the members to-day is a further break-down of items in accordance with the practice laid down by the ministers of defence when they presented their estimates.

Mr. POULIOT: I wish a happy birthday to the parliamentary assistant to the Minister of Labour.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Thursday, June 24, 1943

The house met at three o'clock.

PRIVILEGE—MR. POULIOT

CHANNEL OF COMMUNICATION WITH HIS MAJESTY THE KING

On the orders of the day:

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): As a private member of this honourable house I rise to a question of privilege for the safeguarding of the rights of parliament. I hold in my hand *Votes and Proceedings* No. 92, Friday, June 18, 1943. On the first page there is a letter dated Buckingham Palace, June 8, 1943, and signed A. H. L. Hardinge, private secretary to His Majesty. The first paragraph reads:

> Dear Mr. Speaker,—The King has received from the High Commissioner for Canada a copy of the resolution adopted by the House of Commons of Canada on the occasion of the official celebration of his birthday.

The High Commissioner for Great Britain in Canada is not a channel of communication, and should not be, between our parliament and His Majesty the King. The only channel of communication is His Excellency the Governor General. As the letter from the king's secretary was sent direct to you, Mr. Speaker, I do not see why in the world our resolution was conveyed to His Majesty by the High Commissioner for Great Britain in Canada. It shows once more that Canada is falling to the rank of a colony. If His Majesty is part of our constitutional system the High Commissioner for Great Britain is not. I hope therefore that in future such communications will be sent either direct to one of the secretaries of His Majesty or through the channel of His Excellency the Governor General, who is the viceroy of His Majesty in Canada.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think my hon. friend must have mistaken the High Commissioner to whom reference is made. The communication, as I understand, was sent to His Majesty through the High Commissioner for Canada in Great Britain, Mr. Massey, and not through the High Commissioner for the United Kingdom in Canada. That is a method of communication which has been followed at times in the past and will be followed in the future.

There are two methods of communicating with His Majesty the King. One method I have just mentioned, through our High Commissioner in Great Britain. That was the method which as a matter of fact was adopted at the time His Majesty was asked to proclaim a state of war existing between Canada and Germany. The communication from the government of Canada was sent to the High Commissioner to be communicated to His Majesty the King. There are other occasions on which communications are sent through His Excellency the Governor General to His Majesty the King. They may be replied to by the king through his excellency. I assume that His Majesty, in having a communication transmitted direct to the Speaker of the House of Commons, felt that it would be an additional compliment to the house and adopted that method.

Mr. POULIOT: If I may be permitted, the High Commissioner for Canada represents the government, not parliament.

[Mr. Pouliot.]

FUEL WOOD

EXTENSION OF SUBSIDY TO DECEMBER 31, 1943

On the order for motions:

Hon. C. D. HOWE (Minister of Munitions and Supply): A few days ago I promised to make a statement with regard to the payment of subsidies on wood fuel. In view of the continuing seriousness of the shortage of firewood the government has decided that the period during which a subsidy will be paid on cordwood production shall be extended to December 31, 1943.

The original plan for meeting the wood fuel emergency, announced on March 4, called for the payment of $1 subsidy to dealers only on commercial cordwood contracted for and cut on or before June 30, 1943, and delivered to a dealer or held to his account after March 5. Under the extension, the subsidy will be paid on the same basis for cordwood cut on or before December 31.

If they have not already done so dealers in wood fuel should arrange immediately to have wood cut for their account. In addition wherever possible they should make arrangements to purchase slab wood from the sawmills. On such purchases the transportation subsidy, which was also announced on March 4, will be paid if the dealer can show that otherwise he could not obtain wood for his customers.

The transportation subsidy can also apply to cordwood cut on or before December 31, the wood fuel controller having been authorized to pay whatever proportion of the transportation costs he may deem proper. To receive the subsidy the dealer must obtain a permit from the controller before he contracts for the supplies. Both the cutting and transportation subsidies will be made available only to wood fuel dealers registered as such with the wartime prices and trade board.

Mr. TUSTIN: Recently I have noticed in the press on several occasions that municipalities are going into the wood fuel business. For instance I noticed in the press only this week that my own home town is going to contract for a thousand cords of wood to protect the families of that community next year. Will the municipalities be paid this subsidy of $1 per cord?

Mr. HOWE: No; it is paid only to registered dealers.

Mr. HANSON (York-Sunbury): Are steps being taken to see that the subsidy of $1 is passed on by the dealer to the producer of the

wood, the man who handles the axe? In my country they are not getting it. I am told by those who are producing in the woods that the $1 per cord is being snapped up by the dealer or the middleman, and the producer is not getting it. That, of course, is wrong.

Mr. HOWE: The man cutting wood and selling direct to the consumer gets the ceiling price for the wood. The dealer must live as well, and the dealer also can get only the ceiling price for the wood. The purpose of the subsidy is to interest dealers in organizing cutting, and to make it possible for dealers to take part in the solution of this problem. Much of the difficulty last year arose from the fact that the dealers did not operate, because there was no margin left permitting them to do so.

Mr. COLDWELL: I understand that when the men who have trucks apply for permits to sell wood, after they have cut it, they are compelled to deliver to a dealer, and are not able to collect the $1 subsidy. I think only a few days ago I sent the minister a letter which I had received from Prince George, British Columbia, containing a statement to that effect.

Mr. HOWE: The men cannot receive the subsidy unless they are registered dealers.

Mr. COLDWELL: They cannot get registered.

Mr. HOWE: That is a matter between them and the wartime prices and trade board. If they are cutters of wood, selling direct to the trade, they are not entitled to the subsidy.

Mr. COLDWELL: But they are compelled to sell direct to the trade because they cannot get permits. I think that is the point the hon. member for York-Sunbury (Mr. Hanson) has in mind.

Mr. MAYHEW: What about groups who have organized as self-help organizations in communities in British Columbia where they are cutting wood? Are they entitled to this $1 per cord?

Mr. HOWE: No, they are not. They are cutting wood for themselves; therefore they are not entitled to the subsidy.

Mr. GILLIS: May I inquire what provincial machinery exists for the administration of this policy with respect to the cutting and distribution of wood, and generally to give effect to the policy announced by the minister? What machinery is set up in each province for that purpose?

Mr. SPEAKER: Order. This matter should not have been brought up under this order; it should have been brought up on the orders of the day. We are on the order for motions just now, and I would ask that the usual procedure be followed.

[*Later*]

Mr. DIEFENBAKER: Would it be in order at this time, Mr. Speaker, to ask a further question arising out of the statement by the Minister of Munitions and Supply in respect to wood fuel?

Mr. SPEAKER: It has been customary to allow a question for the elucidation of reports made by ministers. But I would point out that this is not a subject of debate.

Mr. DIEFENBAKER: The situation in parts of northern Saskatchewan is that there is a great deal of cordwood and wood for fuel available, but the farmers and settlers are unable to finance the work required to get it out. When the matter was before the house on another occasion I suggested to the minister that some financial assistance might be given to these producers to assist them in getting out the fuel. The minister said the matter had been under advisement. I would ask him now whether a policy has been adopted under which financial advances are allowed, secured in a proper way. I feel that in this way a large amount of wood could be made available.

Mr. HOWE: The point raised by the hon. member explains exactly why we are trying to put the dealers in business. It is the duty of the dealers to finance that sort of cutting, and they are doing it, all over the country. I am sure if my hon. friend will ask for the cooperation of the dealers in his area and advise them where help is needed, he will find them ready to finance the operations.

Mr. GILLIS: What machinery is provided in the respective provinces to give direction to this policy? There is considerable confusion. Many letters are being written, and apparently no one knows what the regulations are. I do not know what machinery is provided under which one can ask dealers, or those wishing to cut fuel, to apply this policy.

Mr. HOWE: In each city there is an office of the wartime prices and trade board. If those desiring information will apply to the nearest office of the wartime prices and trade board, they will get the information they require.

Mr. FRASER (Peterborough West): The minister said it was up to the dealers to look after the cutting of the wood. I know three

dealers in my riding who were unable to supervise the cutting of fuelwood this past winter because they could not obtain gasoline to go to their woodlots. In my constituency most of those woodlots are situated about forty miles from the city of Peterborough, and it is necessary that the wood dealers visit the lots at least once a week to pay their men and to lay out the work. Could the minister extend a little more leeway to the dealers by way of gasoline allowances?

Mr. HOWE: Every man who owns an automobile in this country on April 1 was given a book of coupons entitling him to gasoline. I cannot understand this great and acute shortage of gasoline that is so often referred to in the house.

Mr. NICHOLSON: From the minister's previous statement I understood the subsidy was to be passed on to the producers. Do I understand the dealer is now to get the subsidy?

Mr. HOWE: I think I have just explained that.

Mr. MAYHEW: Would not the minister reconsider his statement regarding those cutting wood labelling themselves as self-help? The term "self-help" is a misnomer so far as their efforts are concerned. They are cutting wood for those who are unable to get out and cut wood themselves. They have organized themselves to cut the wood, and they are entitled to justice just as much as those who are cutting it and expecting to make a profit out of it. They have equipment to buy, they have transportation to provide, and those expenditures are made out of their own pockets, They are as much entitled to it as those who call themselves dealers. I would point out further that I find, on reading to-day's press, that there are some who are setting themselves up as wood dealers, accepting orders and payment for orders, without any wood to fill them. I question whether they will be able to fill some of the orders, and I suggest the minister should look into the matter.

Mr. FRASER (Peterborough West): I was not very much taken with the minister's answer with respect to gasoline. Surely he must have misunderstood me.

Mr. SPEAKER: Order; sufficient explanation has been given in the matter.

[Mr. G. K. Fraser.]

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MANITOBA TIN DEPOSITS

Mr. KNOWLES:

1. Are there any known deposits of tin in Manitoba? If so, who owns the same?

2. What companies in Canada are engaged in the mining and/or processing of tin?

Mr. CRERAR:

1. There are several known occurrences of tin minerals in Manitoba. Authoritative information concerning the ownership of these occurrences is available only in the department of mines and natural resources of Manitoba.

2. The Consolidated Mining and Smelting Company of Canada, Limited, is the only company mining and processing tin ore in Canada, the very small tin-mineral content of the silver-lead-zinc ore of the Sullivan mine at Kimberley, British Columbia, being recovered as a by-product during milling and concentration.

BEET SUGAR ACREAGE

Mr. HANSELL:

1. What was the total sugar beet acreage in Canada for the years 1933 to 1943?

2. What was the total production from sugar beets for the years 1933 to 1943?

3. What was the total sugar production from cane or imported raw sugar for the years 1933 to 1943?

Mr. ABBOTT:

1.	Ontario (acres)	Alberta (acres)	Manitoba (acres)	Total (acres)
1933	29,852	13,955	....	43,807
1934	24,370	14,464	....	38,834
1935	37,999	14,464	....	52,462
1936	32,094	19,281	....	51,375
1937	23,939	19,983	....	43,922
1938	25,538	19,559	....	45,097
1939	35,851	21,774	....	57,625
1940	38,010	23,964	18,269	80,243
1941	30,107	23,908	16,755	70,770
1942	20,739	27,823	14,782	63,344
1943 (est.)	16,440	30,121	16,454	63,015

Note.—Planting in Ontario for 1943 has not been completed. The estimate given is for acreage contracted but present indications are that actual plantings will be considerably less and may not exceed 9,000 acres.

2. 1933, 123,350,000; 1934, 107,141,000; 1935, 129,785,000; 1936, 134,712,000; 1937, 109,017,000;

1938, 148,836,000; 1939, 168,715,000; 1940, 197,770,000; 1941, 197,365,000; 1942, 184,495,000.

Note.—The figures for 1943 cannot be given since no beet sugar is produced before September. The latest estimate of production is 160,000,000 pounds.

3. 1933, 749,775,000; 1934, 784,227,000; 1935, 820,549,000; 1936, 923,930,000; 1937, 859,699,000; 1938, 903,398,000; 1939, 994,544,000; 1940, 957,032,000; 1941, 954,423,000; 1942, 633,962,000.

Note.—Figures for 1943 would be for five months only and would not necessarily be an indication of production for the whole year. Present estimate of requirements, 690,000,000 pounds.

SUGAR RATIONING—WESTMOUNT, QUE.

Mr. FOURNIER (Maisonneuve-Rosemont):

1. Have some persons in the city of Westmount been allowed a quota of thirteen pounds of sugar?

2. Has distribution been made of the 617,000 pounds of sugar stated to have been held in reserve?

3. If so, on what basis, and to whom?

Mr. ABBOTT:

1. Yes. Westmount is included in local ration area M-2, which comprises the city of Westmount, the village of Cote St. Luc and the towns of Hamstead and Montreal West. Each local ration board was allotted home canning sugar on the basis of 11·34 pounds per applicant. The distribution of this sugar was left to the discretion of the local ration board in each case. Some boards filled all applications under ten pounds and then distributed the surplus amongst the applicants who had asked for more than this figure. Since a certain number of citizens of the village of Cote St. Luc, the towns of Hampstead and Montreal West and the city of Westmount applied for and received considerably less than ten pounds each, the surplus was divided among the remainder of the population of the municipalities of this local ration area.

2. Yes.

3. There were 239,360 misdirected applications reported after local ration boards had submitted their returns. As the applications had been dispatched on time but received at the respective local ration boards too late to be included in their report, it was decided that sugar should be provided in these cases accordingly. 2,293,600 pounds were allowed to the various local ration boards who reported these late applicants. This included the 617,000 pounds of sugar held in reserve.

72537—252½

QUESTION PASSED AS ORDER FOR RETURN

NO. 5 AIR OBSERVER SCHOOL, WINNIPEG

Mr. CASTLEDEN:

1. What companies have received contracts for the supplying of gasoline, oil, and other petroleum products for the servicing of No. 5 air observer school at Winnipeg?

2. What are the names of the local agents of each of the above companies?

3. What is the total value and quantity of petroleum products covered by these contracts?

4. What was the date of the signing of these contracts?

LABOUR CONDITIONS

TORONTO SHIPBUILDING COMPANY—REQUEST FOR INVESTIGATION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Has the Minister of Munitions and Supply received a request from the employees of the Toronto Shipbuilding company for an investigation of the conditions existing in that shipyard; and, if so, what steps is the government taking to conduct an inquiry?

Hon. C. D. HOWE (Minister of Munitions and Supply): I have no knowledge of any such inquiry or demand.

Mr. GRAYDON: Will the minister make some investigation in his department to see if that demand has been received, and perhaps he will give me an answer later.

Mr. HOWE: I have already made an investigation in the department, and no such demand has been received.

Mr. GRAYDON: There has been no communication between the employees and the department on this point?

Mr. HOWE: So I am informed.

ALASKA HIGHWAY

POST-WAR USE BY CANADA AND THE UNITED STATES—PIPELINE FROM FORT NORMAN OIL FIELDS

On the orders of the day:

Hon. R. B. HANSON (York-Sunbury): I would ask the Prime Minister if at some time before the end of the session he would make a general statement with respect to the position in the Northwest Territories with respect to the Alaska highway and kindred subjects. In order to be specific I shall place on *Hansard* what I have in mind.

Will the Prime Minister make a general statement or table the agreement between

Canada and the United States covering the position of the latter as to its use of or interest in the Alaska Highway after the war? Will the Prime Minister make a similar statement or table the agreement as to the ownership, the interest in and use of the pipeline from the Fort Norman oil fields to the refinery at White Horse and in the refinery; the amount of money involved in the construction of the pipeline and the oil refinery? Will title to the land through which the pipeline runs be alienated to the United States or to any company, or will it remain the property of Canada? Will individuals or companies other than Imperial Oil have the use of the pipeline after the war?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am obliged to my hon. friend for letting me know the nature of the questions to which he wishes replies. I shall seek at a later time to give him the information.

SAINT JOHN THE BAPTIST'S DAY

CELEBRATION OF THE FRENCH CANADIANS' PATRON SAINT'S DAY

On the orders of the day:

Mr. ELIE O. BERTRAND (Prescott): Mr. Speaker, I wish to draw the attention of the house to a special event. We are celebrating to-day the French Canadians' patron saint's day; that is to say, the feast of Saint John the Baptist. We crave his protection for the members of our armed forces who are fighting in the air, on land and at sea, and we beseech his help in behalf of racial unity and good government in this country.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Wednesday, June 23, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

DEPARTMENT OF LABOUR

The CHAIRMAN: I should like to make a brief statement. When we adjourned last night the parliamentary secretary to the minister mentioned the fact that the list of items appearing in *Hansard of* March 3, 1943, page 923, would be used as the estimates for the Department of Labour in the consideration of this measure. No item was called yesterday. I therefore call the first item.

[Mr. R. B. Hanson.]

Labour; war emergency training programme, administration $48,000; payments to the provinces re training for skilled and semi-skilled occupations connected with war work, $5,200,000; payments to the provinces re training for aircraft manufacturing and ground mechanics, $1,950,000—$7,198,000.

Mr. McIVOR: Mr. Chairman—

Mr. CHURCH: Last night I had not concluded my remarks. It was after eleven o'clock, and I ask for another ten minutes.

Mr. McIVOR: In the month of February I had—

The CHAIRMAN: The hon. member for Broadview (Mr. Church) had not concluded his address.

Mr. GRAYDON: Mr. Chairman, I understand we are not yet to be excluded from dealing generally with these items. I understand, too, that the hon. member for Broadview had not concluded his speech last night, and it is only fair that he go on to-day.

Mr. CHURCH: Last night I was about to speak until a few minutes after eleven o'clock—

Mr. POULIOT: The leader of the opposition said that there might be exclusion. There can be nothing of the sort. We have no reason to be excluded from discussing matters like this.

The CHAIRMAN: The point raised by the leader of the opposition was that the hon. member for Broadview had spoken only thirty minutes when we reached adjournment last night at eleven o'clock.

Mr. HANSON (York-Sunbury): A further point is that the general discussion had not been concluded.

The CHAIRMAN: I did not say that the general discussion had been concluded, and I believe it is in order to call an item, as I have done.

Mr. POULIOT: I did not say "concluded"; I said "excluded."

Mr. CHURCH: Mr. Chairman, I spoke last evening at the request of some hon. gentlemen who had a dinner engagement. I did not want to take part in the debate; far from it. I have no quarrel whatever with the present minister, but I raised the question of man-power before the war. The government's policy on man-power and the way it has been handled is everything by fits and starts and nothing long. We have had a different policy for every province in the country. We have done nothing about the greatest problem that faces this country. We need sufficient fuel

and coal to supply the needs for nine months of the year because by the middle of September, within two or three months, we will have to be opening up our fires again. Where is the coal to come from?

In 1917 we had some trouble about man-power and a coal famine in the Toronto district. There is also the question of what is non-essential and what is essential industry. You cannot solve this man-power problem with statistics and blue books. Labour is a human commodity and it has been mishandled by five or six ministers since the war began. This is not the first time I have spoken on this question. I do not know where we are going to be next fall or winter. Last evening the deputy leader of the Social Credit group made reference to this particular question. Next winter we are going to face one of the greatest disasters this country has ever had if we do not have fuel. People will be freezing in their homes. There is a lack of proper housing and people will not only be without homes, they will be without fires. Many of them will suffer the natural consequences.

I think I have been around the city of Toronto more than anyone else and I know what is going on. On January 6, 1940, I saw hundreds of youths trying to get into the army. It was almost sixteen degrees below zero and all some of them had on was a sweater with no coat. They were freezing outside the Toronto armouries and many of them had not a cent to buy any food. Some of the local agencies had to provide lunches for them. Only three or four years before that some of them were riding the rods all over the country looking for work, and then most of them went into the war. Is that the way to treat labour? Here we are now near the end of the fourth year of the war; compulsory selective service should have been started before the war began.

In 1937 and 1938 I proposed a national selective compulsory service register with survey of industry, a domesday book of every man, woman and child in the country, our man-power, our industrial power, our economic and food power and all those things. But nothing was done about it. That is what happened in the fall of 1940 and into the beginning of 1941. What happened then? The same policy—men not wanted; recruiting lagged. As I said, it was far easier to get into the Rideau club where there is a long waiting list than into the army. Last evening we were very sorry that many of our friends on the other side were not present. I do not know where the hon. gentlemen to my left were. There is no country party in this country such as they have in Australia, but we have a fine country club, and at eleven o'clock last night I proposed that the rest of us might just as well adjourn to the country club and carry on our discussions there.

We have a so-called compulsory system. I do not blame the present minister for what has happened, because I doubt if they could have got anyone else to carry the burden he has assumed. I would like to see his estimates go through quickly. I think it would be better to follow the policy we followed two years ago in connection with the appropriation bill, that is, allow those who have objections to say a few words on general policy and then let the items go through as quickly as possible. I have great respect for the minister and his deputy and his many assistants, but I am greatly disappointed in the whole man-power problem, especially when I go into the departmental stores, the retail stores and other small stores and see what they are up against. If all this red tape and rules and other things was going to help to win the war there would not be one word of objection in this house. But with our heavy taxation and all these regulations I fail to see how this new man-power will aid either peace or war.

I should like to deal for a moment with the question of the youths of 16, 17 and 18 years of age. What is the use of sending them to cut down our tall timber? The government has needed a lot of timber since the war started for the many different platforms on labour they have had. No doubt additional timber is needed, not only in the cabinet but for the platforms which will be constructed out of the numerous impossible proposals which they have put forth across this country. They are going to try to convert high school pupils into backwoodsmen, like the brave men who opened up this country long before we had such a system. What is going to happen when they do fell the timber? Where are the transportation facilities to cut the timber or to haul it away? How are you going to get it to the cities and towns?

I can remember when ninety per cent of the homes of Toronto burned wood which was brought in by the Nipissing railroad. But conditions have changed. There are many features to this fuel problem. The wood will have to be distributed. Just try now to get a bit of kindling wood. That is impossible, so where are you to get the heavier wood? You could not get it last winter, so where will you get it this coming winter? There

will be no wood to burn and the people will just freeze to death. And all we do is just talk about it. This is the ninety-sixth day of the session and we have done nothing but talk about a coal supply.

Two weeks ago the mining, production and distribution of coal was made a national selective industry, but nothing has been done since. We had lots of coal before the war. Some of the mines were running only half time. Toronto spent $30,000,000 on making a harbour and was able to bring in 700,000 tons of coal through the ship channel in Ashbridge's bay. If it had not been for that, I do not know what would have happened last winter. The government is going to use high school pupils. The same trouble occurred last summer. You, Mr. Chairman, have taken a great deal of interest in the secondary schools in your riding. Nobody would engage the youths last summer. Under Mr. Elliott Little's administration the school boards were notified that these pupils were needed on the farms, in what they called an essential industry.

This listing of certain former essential industries as non-essential industries is just ridiculous in my opinion, and I feel I am entitled to my own opinion. I have had some experience in these matters in the city of Toronto. In Hamilton, Toronto and other centres of population in Canada many industries now listed as non-essential are essential in the opinion of those who know more about it than the bureau of statistics and the other collectors of labour information we have had during this war. Tons and tons of information listed were deposited in the archives before the present minister came into the department. They go on to refer to school teachers. I can tell you this, that the board of education returns show that 236 school teachers enlisted for the war, but only about twenty-two of them are overseas. How many of them are doing so-called war work just at home in Canada and in physical training work, and is that an essential or a non-essential industry? Others are engaged in local sports activities and similar operations which I would not consider especially valuable or essential in the winning of the war.

Our position is by no means the same as that of England. Transfers in the northern counties of England as at the time of the industrial revolution seldom involved movements of more than sixty to a hundred miles; and similarly it is all right to transfer people from Hamilton to Toronto or other limited distances; but when you start transferring people from non-essential to essential industries from Vancouver to Halifax, and taking them out of industry in the cities of Ontario, which already are bled pretty well white through voluntary enlistments, it is another matter. I say to the government, do not legislate against human nature. Last evening I was referring to the bureau at 174 Spadina avenue. I got Elliott Little to open up another one on Grenville and Bay streets; overflowing with men and women and younger people for days and weeks during the heat of last September; they could get no valid information where to go or what to do. A huge bungle went on in that connection; a great number of the members of the staff could have been dispensed with. How did they get there? Many of them, I was told, were appointed on the nomination of government members of parliament; I am not blaming them for getting what they could.

In my opinion the whole programme of man-power has been a mistake from first to last. One would have no objection if this complex system assisted in the winning of the war, but that is not so; there is no equality of service, no equality of sacrifice, no attempt to get it, and it cannot be got now. The Minister of National Defence for the army has told us that this rationing of labour is only beginning. We may wait until doomsday before our man-power resources are dealt with properly and equitably under this system. I am not blaming the permanent officials; they are victims of the system; they have been asked to take up work which no human being could make a success of. I referred last night to the splendid deputy minister and the services he has carried on in other directions. But I do not believe that in the fourth year of the war we can continue as we are now doing. Agriculture has been pretty well taken care of. No small part of the high school population is now on the farms. But the first essential to-day is to win the war, and it cannot be won without soldiers. Wars are won by soldiers, sailors and airmen, they are not won on the farm. True it is that the armed forces need food and other supplies. But the government is far from adopting the practical policies of the mother country, where women have been doing far more essential work than they have been called upon to do here. In the matter of labour, farmers have received a fairly substantial allotment of man-power during the past year. I am strong for the farmers as well; I know the laborious conditions under which they carry on; but how are we going to win the war without men to fight the battles on land, on sea and in the air? The winning of the war by this indispensable means is primary; every-

thing else is secondary, although agriculture from time immemorial has been an essential industry, and has been rightly so regarded.

I wish the minister all success in his work, and I do not want to be unfair to him. He has taken up a burden which I do not believe under the circumstances can be successfully discharged. Figures are all very well, but no law which runs counter to human nature can be enforced, either in Canada or in the United States. I say this as a warm friend of labour: I have been connected with labouring people all my life, and one of the things I value most is that in my public career I have always managed to retain the respect and the support of the overwhelming number of industrial workers in the province to which I belong.

Mr. McIVOR: Early in February I stood in my seat and related the various stages through which the Minister of Labour has passed in order that he might learn something of his fellow man, of the difficulties of the toiler and the troubles through which he passes. Since then I have been watching this young parliamentarian, and yesterday I had the great satisfaction of seeing him arrive at true parliamentary manhood. What a credit his speech of yesterday was to the Department of Labour! You will notice that he did not say "I did it," but, like the little fellow who helped to blow the organ, he said "We did it," meaning himself and his departmental workers. I was reading this morning the story of a clear-headed, vigorous reformer who sat in the gates of Jerusalem and told the citizens the things that they must do. It was not a very popular proceeding, and our friend found himself in the stocks in a dark prison. When the present Minister of Labour spoke in January last he was not held in high repute. But stage by stage since that time he has been coming to the front, and to-day I am going to show you that when I spoke of him in February it was not, as somebody said, an obituary notice which I was giving, but an introduction of something worth while to follow.

Few of the men who serve labour but find at certain stages of their lives that their work is not appreciated, and it was perhaps not surprising to learn, as we did over the radio last night, that the labour government of Australia is not popular even with its own supporters and may have to go to the country. I regretted this, because, like some other hon. members here, there and over yonder, I am greatly interested in the man who toils, not by way of something I got out of a book but from what I have derived from experience in trying to look after those who toil and who have missed their chance in life.

I am sorry, Mr. Chairman, that labour itself is not united all over Canada. I would have to ask the Minister of Labour how many labour organizations there are in Canada, and how they love each other. I would say very kindly to labour: if you are going to speak to the Minister of Labour in this house, speak with one voice, drown your difficulties, follow the master workman and begin to practise the golden rule; then you will find that labour in Canada will go places not only in its own interests but for the good of industry as well.

The Minister of Labour has served well, and I must say that he caught my fancy not long ago when, in imagination, whether it is true or not, I saw him, as the Prime Minister asked him "Have you any great men in labour whom you would recommend for the king's honours?" reply, "I know some great men in labour, but there is one man who stands out conspicuously in the movement, a man who dedicated his life to labour and has given great services and literally worn himself out, so that while his mind is still clear his body is not able to carry him into active service." And when I found, in the list of those who were recommended, probably by the Minister of Labour, the name of Tom Moore, I said "Thank goodness the Minister of Labour is putting into the front rank men who are worthy"; and Tom Moore has his honours. Some people may say that Tom Moore has no blue blood in his veins, but I say, Mr. Chairman, that he has good red, honest blood in his veins, and is fit to associate with the cream of the land. If the Minister of Labour has done nothing else, I thank him for having put labour on the map in this way.

I was pleased to hear what the hon. member for Cape Breton South (Mr. Gillis) said yesterday about the labour minister. My hon. friend has a lot of good Scotch sense and it came to the top yesterday when he said: I do not want to change labour ministers. I think he is right too. Let my hon. friend from Cape Breton South follow that up and watch the Minister of Labour, just as I too will keep my eye on him.

The Minister of Labour first came to my notice in connection with the labour camps that were established in Canada, for a temporary purpose only, by the Right Hon. R. B. Bennett, and I admit that they served a good purpose. But afterwards they became nests of discontent, and then it was time to put them out of business. That is when the Minister of Labour first came to my notice, and he did his part at that time and did it well. He disbanded those labour camps and saw to it that those who were confined

in them were accorded the full privileges of citizenship. From that time on he was called upon to be the "trouble shooter" of the Department of Labour, which was then under the present Secretary of State.

Another of the minister's successful assignments was the organization in February, 1941, of the national joint conference board of the building and construction industry under the auspices of the national labour supply council, on which he was serving as secretary, having been appointed by the then Minister of Labour, the present Secretary of State (Mr. McLarty). This conference was constituted on the basis of equal representation of employers and employees, and functioned successfully as a national body to adjust wages and working conditions until superseded by the national war labour board. The conference was such a conspicuous success that the Ottawa *Journal* commented editorially on it as follows:

> Unique in the history of industrial relations in Canada, and heartening, is a conference being held here in Ottawa this week. It is a gathering of representatives of workers and employers in the building and construction industry; its purpose to agree upon a way to strengthen this country's war effort.
>
> It is not, therefore, just another conference. Here are the men sitting down together to discuss, frankly, points of friction that arise inevitably in an emergency programme and that cut across normal ideas of "rights" and "privileges"—men preparing to sink differences; to cope as best they can with unusual problems; to impose discipline for united effort towards victory.

Under the impact of war more and more men are employed on labour work than ever before in the history of Canada, and when men are working long hours and their friends and companions are across the sea fighting for their country, their nerves are just a little on edge; they are hard to handle, and friction easily develops.

I said the other day that you know when there is a strike, but you do not know how many strikes might have been which did not develop through proper action being taken to prevent them. The Minister of Labour was appointed chairman of the industrial disputes inquiry commission, a sort of flying squadron to nip incipient labour trouble and keep the assembly lines rolling. How successful the present Minister of Labour was in his role as chairman is indicated by the fact that out of fifty-two tough disputes, involving more than 52,000 employees, which were referred to the commission, that body under his chairmanship, was directly responsible for settling twenty-three and indirectly responsible for the adjustment of twenty-two others. In all these fifty-two disputes there was only one strike, and it was of short duration.

I know what happened in war industry at the head of the lakes. It seemed that two strikes must come there, but both these disputes were settled, and I am grateful to the Minister of Labour for not standing back and saying: It is all right, do not bother your head, everything will come out all right. The minister did not stand back, of course. He played the man and there was no strike at the head of the lakes. The workers, I think, did not want a strike.

Here is an order in council which the Minister of Labour had passed. It is one with which I agree thoroughly, P.C. 8253, which launched the policy of wage control. Here it is in the words of the order itself:

> Any agreement so modified and other condition of work otherwise suspended in the interests of war production shall be fully restored on the termination of the present war.

There is not a labour man in this house who will say that if labour has given up anything to help the war effort it will not get it back, perhaps with a little interest, after the war. I would say, in the words of the old book, give it back fourfold, because the workers in the unions have not everything rosy.

I am grateful to the minister for the organization of this national war labour board. I also want to congratulate the minister on the appointment of Mr. M. M. Maclean, one of the founders of the Canadian Brotherhood of Railway Employees, as director of the industrial relations branch of the Department of Labour. There is a man, not from the head of some great legal firm, but a man from the ranks of labour who knows what labour is. If there is any labour organization in Canada that does not appreciate that sort of appointment, I wonder what labour men are thinking about. The minister fully recognizes what a man has to put up with when he is working, what he has to contend with in his mind and in his body. There is the necessity of taking care of his health, taking care of his folks and providing proper housing for his family. Of course, I admit that it would have been of advantage to have a real live clergyman on the national war labour board, a man who looks to the other side of life, and I think that is needed; for to-day we find labour organizations sometimes holding their meetings on the sabbath day. They have six days a week to work and one day to rest. They have eight hours a day to work, eight hours to play, and

eight hours to sleep, and they should have brains enough to keep one day in seven for rest and to worship the Master Workman, and in that way come back to work with a happy heart on Monday morning. I say to members of this parliament, too, that the sabbath day is no day for political meetings. I will have none of it. If they want me to speak on the sabbath day I am going to give them the same stuff that I would give my people from the pulpit, and it would do them good. The members of this house, no matter to which body they belong, should not hold political meetings on the sabbath day, and my remarks now are directed just as much to the Liberal party as to any other party. Let us keep the sabbath day as a day of rest. If you break the law, the great Law Giver will measure you up. Remember the sabbath day to keep it holy. If you do not, the punishment will be yours, and you cannot get away from it. Break the civic laws of Ottawa and the Ottawa police get after you, but their punishment is not half as sure as that of the great Law Giver.

An order was passed recently which is one more indication of the minister's consistent effort to protect the worker and to assure him of a square deal. A fine has been authorized for employers who discriminate against workers on account of union activity. The fine is $500 for each day on which such an employer fails to comply with that ministerial order.

I wish to express to the minister my appreciation of his growth. I hope he will not feel too big for his job but will remain humble; and, as I said in February, I hope he will take his cue from the best workman this world has ever known.

Mr. POULIOT: I have just two questions to ask the minister. First, what is the occupation that is considered most important by the national selective service for a young man who is physically fit and of military age?

Mr. MITCHELL: If he is physically fit and of military age he should be in the armed forces unless he has a trade or calling of such a degree of essentiality that he should be left in civilian life. I say that as a result of my own personal experience in the last war. The strong men should go to war; they should be in the armed forces to defend our way of life, unless they follow a calling that is essential in the commercial, industrial or agricultural industries.

Mr. POULIOT: I thank the minister for his answer, but he did not meet the point I raised. My question is very simple: What is the most important occupation for a man of military age and of physical fitness? That is the question.

Mr. MITCHELL: I think I have answered it. If my hon. friend wants me to give advice on a trade or calling I will do so if I know the man and know the circumstances, but I say that the duty of a physically fit man is to defend his country.

Mr. POULIOT: I thank the minister, but the answer shows what is wrong with national selective service, and I have stated it before. There is a gradation of equality in essential industries. What is the use of putting a boy in the army if the R.C.A.S.C. trucks are empty? Therefore it is useless to discuss national selective service unless it is admitted, not only by the minister himself but by all members of the government, that agriculture, the railway industry, the lumber industry, about which we hear so much, the mining industry and fisheries are on an equal footing with the army. So long as the government considers that the first duty of a physically fit man of military age is to join the army, national selective service is doomed. It cannot work. What I say may sound strange. Just a minute ago I heard members from rural constituencies, who will support postponement for training for farmers, saying, "hear, hear", when the minister made a reply. It shows that they do not realize the importance of agriculture, they do not realize the importance of the lumber industry, they do not realize the importance of the railway business, and they do not realize the importance of mining and fisheries.

Of course, there has been a glamour around the soldier from the start. I am all for the soldier, the sailor and the airman, but on the other hand the men in the army should be protected; and what better way is there of protecting them than to keep them supplied with food and clothing and munitions? If a young man is a good tool worker and has experience and ability in that field, and if he is called to the army, his duty is not to go into the army but to a munitions plant; similarly, if there is a farmer whose farm will be closed if he joins the army he should stay on the farm.

Some progress has been made by the national selective service boards, at least in the city of Quebec—to some extent though not entirely—with regard to farmers who have done their training. But as regards farmers who are in the army for their training or who have completed part of their training, it is difficult to get them out by reason of the statement made last year by the Minister

of National Defence, which was corroborated this year by the Minister of National Defence for Air. They said, "We are not having men in the army and in the air force to become farmers". That is not the question. In the army there are men who are badly needed on the farm and they cannot get out. I do not put the blame on the minister alone; I do not put the blame on anyone. I simply want the government to understand that a farmer is just as essential in war-time as a soldier, and a railway man just as essential as both; and so long as they fail to dissipate the halo of glory that surrounds just one head we shall have trouble with national selective service. I say that in the best possible spirit, because I have tried to have a system of national selective service put into operation from the start, before it was put into legislation.

I did not wish to speak at any length on this question but I have put my position clearly before the minister. If the Department of Labour and national selective service are just ante-rooms to national defence, with the lowest number of young men there, less than in the air force and in the navy, we shall have trouble, and the fuel and wood business will be discussed every day. We shall hear more and more about the coal business, the fisheries and so on.

I hope that the minister will not be actuated by what was described last year by the hon. member for Richelieu-Verchères as fear of a vote of censure from the opposition for the establishment of conscription. What is the duty of the government? To govern is to foresee, and the trouble we have now could have been foreseen if there had not been so much drum-beating at the wrong time. What I say now is simply for the protection of young men in any branch of the armed forces as well as for the protection of the civilian population.

I hope that members will be able to get a copy of the instructions that have been forwarded by the government or the minister to the national selective service. There is apparently only one in which it is said that the farmer is protected; we had no such circular from the army and we cannot get it. Their orders are secret most of the time and it is impossible for us to get them, but I hope the minister will realize his duty is not only to fill requisitions from the Department of National Defence. It is a department which should see to it that everything runs smoothly in this country in war time as well as in peace time; and he will be able to do that so long as he does not remain subservient to his colleague the Minister of National Defence.

[Mr. Pouliot.]

Mr. KNOWLES: There are two specific matters to which I should like to make particular reference this afternoon, but before doing so there are a few comments of a general nature I should like to make. I confess that I was amazed yesterday afternoon, listening to the speech of the Minister of Labour, that during practically two hours, with the exception of a sentence or two, he found it possible almost completely to ignore matters of labour policy such as the right to organize and collective bargaining—

Mr. MITCHELL: If I might say a word—

Mr. KNOWLES: —although he did say the right to organize was fundamental.

Mr. MITCHELL: I did say a word in that regard, either to the hon. member for Cape Breton South or to the hon. member for Vancouver East. I know my hon. friend wants to make a speech, and I do not care much what kind of speech he makes—

Mr. BENCE: You did not like people interrupting you.

Mr. MITCHELL: If the hon. gentleman will stand up and say what he wishes to say—

Mr. BENCE: Very well. When the hon. member for Lake Centre asked the minister a perfectly simple question, which should have been answered but which has not been answered yet, the minister became rather rough with the hon. member, to the accompaniment of applause from the government benches, and refused to answer the question, saying that he did not want anyone interjecting remarks or questions while he was making a speech. Yet he is continually getting up when other hon. members are trying to make speeches. I suggest to the minister that he should remain in his seat while hon. members who want to make speeches say what they wish to say.

Mr. REID: As one who interrupts perhaps less than any other hon. member, except those who remain silent all the time, I want to say that it has always been the custom for any minister to correct what he thinks is a misstatement right at the time it is made. I think hon. members generally recognize that this has been the custom in this house.

Mr. MITCHELL: I just wanted to point out, in order to keep the record straight—

Mr. KNOWLES: I know what you are going to say.

Mr. MITCHELL: I just want to say it. These are not my departmental estimates, and there is no appropriation here covering the subjects about which my hon. friend is going to speak; that is all. I do not object to what he is going to say; but while I did not say much about collective bargaining, I think I said enough.

Mr. KNOWLES: When the minister interrupted me a moment or two ago I was in the middle of a sentence and was going on to refer to the fact that the answer he has just given to this criticism was voiced also last evening to one or other of the members of this group, namely that his reason for not discussing trade union organization or collective bargaining at this time was that these matters should be discussed when we come to deal with the civil estimates of the Department of Labour. My reason for mentioning what I consider to be the significant omission in this regard is that to me the very fact that there is no place in the war estimates of the Department of Labour for the discussion of these matters indicates the failure of the government to realize the importance of trade union organization and collective bargaining in relation to war-time efficiency and morale. My point is that when we are dealing with the relationship between the Department of Labour and the war there ought to be a place for a discussion of these very important matters.

I realize that whenever we raise our voices in the midst of war for an extension of the right of trade union organization and an extension of the principle of collective bargaining, it is said in some quarters that labour is demanding a price for its cooperation in the war effort. This is said by the same people who express the view that labour should accept a truce, as it were; that it should be satisfied to maintain things as they are, and should not use the war as a means of extending its rights and privileges. That objection reveals a total misunderstanding both of the aims of organized labour and of the philosophy of trade union organization and collective bargaining. I think perhaps I can best express those aims and that philosophy by saying that in the view of those of us in this group there are two main reasons for our insistence that trade union organization and collective bargaining should be extended in time of war. The first of these reasons is that there may be the most efficient production; that our working men and women may have the consciousness that it is their work they are doing and that, as a result of that consciousness, they will really produce to the limit of their capacity. Britain has been referred to time and again in this connection, and the references are deserved. We know that over there the principle of the effective say by labour in the conduct of the affairs of industry is an established right. We know that as a result of the voice labour has been given all down the line in Britain, we have a truly remarkable story as far as war production is concerned.

Many of the problems that are with us in this country are handled much more expeditiously in Britain than in Canada because the workers themselves are in charge of the matters in connection with which problems arise. One instance that was brought to my attention not so long ago was the problem of absenteeism, which concerns the authorities a great deal in this country. The only way we seem to be able to deal with it is by methods of law and attempts on the part of the authorities to put a stop to it if at all possible. It is my understanding that in Britain men who are guilty of unreasonable absenteeism are dealt with by their own fellow workmen through the medium of the shop organizations. As a matter of fact the way in which their fellow workmen deal with them is perhaps more severe than is the case in this country, but the result is a great deal less absenteeism there than we have here. So it is with the matter of getting people to do extra work after the regular hours in their particular line of work are over. Labour, the actual working people, are conscious of the fact, in their shops, in their organizations throughout industry, in the say they have on the various boards, and the fact that they have a labour man in the ministry of labour, that not only is it a people's war over there, but that it is a people's industry, and accordingly they are putting everything they have into it. In my view they take this attitude very largely because of the consciousness that it is their country and their work that they are carrying on, and that they control. I feel keenly that labour in this country, in asking for an extension of the right of trade union organization, the principle of collective bargaining and representation on war boards, is sincerely and genuinely seeking these things because it is deeply interested in the outcome of the war, and because it feels that if it had these things it could produce to a much greater extent and

in a much more efficient manner than it does at present. I assert most definitely that it is not at all true to imply that labour is trying to use the war as a means of increasing its own advantage. Labour is by no means merely asking a price for its cooperation, but is genuinely interested in the best and most efficient ways of industrial production.

The second reason why labour is seeking an extension of the right of trade union organization and the principle of collective bargaining is that there may be in this country a real experience of democracy. We say again and again that out of this war there must come a wider extension of the principle of democracy. That means something more than words. It is a fact that in this country we have political democracy; while we have a few abuses in it, we have political democracy and we are proud of it. If we are going to extend democracy it means infusing that principle into certain other phases of our national life. One of the phases into which it is most important that the principle of democracy be infused is that of the relations between workers and owners of industries, and the whole conduct of industry itself. At the present time less than twenty per cent—and that figure is on the safe side—of industrial workers in Canada are organized. In other words less than twenty per cent, so far as industry is concerned, know anything of the actual practice of the principle of democracy.

In recent months and years we have done a great deal of thinking about democracy, and I think we are coming to realize that if it means anything it means the control by the people of the things which affect their daily lives. While the people of Canada exercise considerable control over the things which affect their lives, through their right to elect their political representatives, we must face the fact that for thousands of our people, particularly those in industry, the most outstanding phase of their lives, the part of their living which is uppermost with them, is their day-to-day work. And if domocracy is to mean anything to them, it is in that day-to-day work in industry that they should have some voice and some control. If we are to get anywhere with the idea of extending democracy in the post-war world, I submit it must take place in the field of industry.

May I make it perfectly clear that my references to the post-war world do not mean that we can wait until the war is over to achieve this experience of democracy on the part of industrial workers. If we are to have any real faith that this is a war for democracy, and if our people are to have any real faith in the democratic process itself, I suggest that now, when they are hard at work in industry, working in a great cause, is the time that our workers should be getting this experience. We in the House of Commons who are so loyal to the ideals and principles of democracy, and who are so tremendously anxious that there shall be no set-back to democracy when the war is over, should be most keen to see to it that our people, our workers—the same is true of our farmers—should have actual experience in the control of the things which affect their daily lives.

Because of the sacrifices involved in the present war our workers have been doing a great deal of thinking. They are working hard. Those in industry have their sons and brothers in the armed forces. They are not in two different groups at all; they are all intermingled in our society. And as they do the things which the sacrifices of this war demand, they are realizing more and more that if it is democracy we are fighting for we ought to be getting some experience in it now. We ought to be having an experience which will increase our faith in the democratic process.

I submit that for this reason, as well as for the reason that it would be a much more efficient way of bringing about a maximum war production, our workers are on sound ground and are perfectly right in insisting upon an extension of the right of organization and the principle of collective bargaining. Just to make myself perfectly clear, perhaps I should say that when we speak of democracy in industry we have in mind two main expressions of that idea: on the one hand, trade union organization and collective bargaining, and on the other hand, labour representation on war boards and all governmental bodies which have any effective voice in the shaping of policy.

The minister said yesterday that the right to organize and the right to collective bargaining are fundmental. It is also true that in words at least these rights are recognized in P.C. 2685. Yet we know that very little progress has been made so far as trade union organization in this country is concerned. I have already referred to the fact that less than twenty per cent of our working people are organized; and our industrial workers feel—I think rightly so—that so far as the government is concerned advantage is taken of that fact. We have the encouragement of the company union plan. We have the use of one of the most deadly weapons, that of delay

in dealing with applications made by trade union organizations for collective bargaining agreements or for adjustments in wages. We have now a constant use of the charge that "it is a jurisdictional dispute". I am sorry I did not take the time to look up in *Hansard* the number of times that phrase has been used during the present session. It is perfectly true that there have been some jurisdictional disputes, but even as we used to hear the charge of communism or agitators from the United States we now hear it said that there are jurisdictional disputes. That is the choice phrase which is used when there seems to be any labour difficulty. The other evening we heard the hon. member for Cape Breton South (Mr. Gillis) make a most reasoned statement with regard to the situation at the Toronto shipyards. I am sure it was perfectly clear to practically all hon. members that he was making a correct statement of the situation, but to our surprise the minister with whom he was dealing at the moment could not see the point at all. He simply came back and said, "No matter how you disguise it, it is still a jurisdictional dispute".

The hon. member for Fort William (Mr. McIvor) who spoke a short time ago, expressed the hope that some day labour might be more united than it is at the present time. I imagine that he will agree with me when I say that the same ought to be true of the profession to which he belongs. As a matter of fact there are such things as growing pains. It is no surprise to those of us who are defenders of labour and advocates of the rights of labour that there are these troubles and these difficulties, particularly when you realize that for years and years every possible means has been used to keep labour down. Labour is beginning to feel that it has some future, that by organizing and getting together, by exerting its weight, it may get somewhere, and it is only inevitable that there should be some difficulty and some confusion among human beings as such. What we deplore is the fact that we have a government which is committed to democratic principles, but which seems to be unable to understand the real democracy involved in the struggles of the labour movement. Instead of helping to advance the cause of labour organization and collective bargaining, it is only too ready to point out that labour is divided, that there are jurisdictional disputes, and to attempt to discredit labour as a whole. Despite these attempts, labour organization is increasing and the thinking that is going on about the real meaning of democracy is having its effect, not only among industrial workers but throughout the community as a whole. I am satisfied the day will come when we will attain the ideal sought by the hon. member for Fort William, a united labour movement expressing with one voice its desire for democratic control of the things that affect the people of this country.

I said a moment ago that in my view democracy in industry involved two things. For a few minutes I have dealt with the right to organize and collective bargaining. The other point which is important at the present time is that of labour representation. I mean effective representation on the different boards that have been set up and which have some say in government policy. When I say "effective representation" I mean representation in sufficient numbers to have some say in the decisions arrived at. Every time we bring up this matter the minister replies that there are labour representatives on all boards. I have in my possession a copy of one of the lists he prepared to prove his point, but he knows that it is minority representation throughout.

Mr. MITCHELL: Would my hon. friend explain the minority aspect?

Mr. KNOWLES: The representation of labour on these boards is in all cases the minority of the membership.

Mr. MITCHELL: I would not like to have that go unchallenged. I should like to know the boards where labour is in the minority.

Mr. KNOWLES: I am sorry I did not bring to my desk the file which I have. I shall get it later and deal with it then.

Mr. MITCHELL: I do not think my hon. friend should make a statement like that without having the facts in front of him. The national selective service advisory board contains five representatives of the employers and five of the employees, and the boards of referees contain equal representation. I do not think the hon. member should say things like that when he must know that the opposite is the case.

Mr. KNOWLES: There is a chairman in each case. The minister knows that there are many other boards on which labour has less than half the representation.

Mr. MITCHELL: I hope my hon. friend is assuming that there is an independent chairman.

Mr. KNOWLES: Who is appointed by the government.

Mr. MITCHELL: The chairman of the national war labour board is a judge.

Mr. KNOWLES: When this matter was being discussed last evening the minister sought to make the point that we should not be too much concerned about getting representation on these boards because the laws of the country were really made here in parliament.

Mr. MITCHELL: I never said anything of the kind. It may be my hon. friend's lack of knowledge of the function of trade unionism that makes him make an observation of that description.

Mr. KNOWLES: I shall look that up and come back to it later. If my memory serves me aright, the minister said that he did not know of any country where the laws were being made outside of parliament, and the hon. member for Cape Breton South said he knew of one, this country right here. Our point is that these boards set up by the various ministers have some power. They make recommendations to the privy council, and, on the basis of these recommendations, orders in council having the effect of law are passed. It is because these boards have this power that we contend that labour should have a more effective representation in terms of membership.

At the outset I said that there were two matters to which I wished to make specific reference. I am going to say at once to the minister that I shall not mind now if he interrupts me. There are two matters I should like to get straightened out. The first is the question of minimum wages and their relation to the wage-freezing orders now in existence. I have before me sessional paper 316, and upon studying it I find that this matter has been under discussion among the Department of Labour, the national war labour board, various provincial ministers of labour and the regional war labour boards, for a year or eighteen months. I find that as far back as May 26, 1942, a letter went out over the signature of the associate deputy minister, as he was at that time, Mr. A. MacNamara, addressed to the chairmen of all regional war labour boards. This letter referred to the fact that at a then recent conference at Ottawa this question had been discussed and the promise had been made that an attempt would be made to clarify the situation. The letter made further reference to a proposed order in council which accompanied it and which the chairmen of the regional war labour boards were asked to study and to report back to Ottawa. The actual draft order in council does not appear in the sessional paper. The letter to which I have just referred says that the matter was to be treated confidentially, at least at that stage.

As I studied this sessional paper I found out that there were two ways in which this matter was being approached. On the one hand there was the possibility of amending order in council P.C. 7679. That is the order in council that deals with minimum wages, under the provisions, I believe, of the War Measures Act. The other proposal was to present a new amendment to P.C. 5963 to clarify the status of dominion and provincial minimum wage rate regulations. To try to make it a little clearer, let me say that there was on the one hand the possibility of doing something on a national basis, the fixing by order in council of minimum wage rates throughout the country. On the other hand, there was the possibility of clarifying the situation with regard to existing minimum wage rates and regulations, both dominion and provincial.

This latter phase of the matter came to a head particularly in the province of Manitoba, where the minimum wage board was anxious to amend some of its regulations and increase certain minimum wage rates in that province. Nothing having been done along the lines suggested in this sessional paper and in the documents contained in it, the Manitoba Department of Labour was advised that the changes it proposed to make in minimum wage rates could not be made because of the wage-freezing order. As I understand it, the wage-freezing order refers to basic wages. The situation is that basic wages can not be changed, certainly not without notifying all employers affected. On that ground the Manitoba minimum wage board was denied the privilege of amending the minimum wage regulations of that province.

It seems to me, Mr. Chairman, that the idea of putting a ceiling on wages should not have carried with it the possibility in some cases of making the floor the ceiling. To put it in another way, the minimum wage rates surely ought not to be regarded as basic wages. I understand that under the wage-freezing order it is possible for some employees who are above the minimum to make application to the regional war labour board and in some cases to get adjustment of their wages. But for those whose wages are down on the floor there is no possibility of having an adjustment made in their minimum wage. In

the answer of the deputy minister of labour, appearing on pages 2 and 3 of sessional paper 316, it is said:

It was decided to amend P.C. 5963 to clarify the status of dominion and provincial wage rates and regulations. This amendment has not yet been implemented and consequently is not tabled.

I would ask the minister whether any further progress has been made with this intention, to amend P.C. 5963 with respect to the matter to which I have been speaking. There is another matter to which I wish to refer but I shall be glad to yield now if the minister is prepared to answer that question.

Mr. MITCHELL: When the original wage stabilization policy—not the freezing policy—was introduced at a joint meeting of all the provincial ministers of labour, or the ministers responsible for wages and hours of labour under peace-time conditions, it was felt that the regional boards and the national boards should deal with all wages within the confines of their respective jurisdictions. Afterwards some of the provinces felt that these minimum wage regulations should go back to the provinces. Fortunately or unfortunately, according to the point of view one takes—the hon. member thinks they should go back to the provinces, and there is a great deal of merit in the contention—there has never been complete agreement amongst all the partners to the original understanding, and that to some extent has delayed progress in the direction my hon. friend desires to see it. But he can rest assured that as a result of recent meetings of the national war labour board there may be some crystallization of viewpoints on the question of minimum wage laws in the provinces, and when the proper degree of understanding is arrived at between the provinces and the dominion perhaps the end which my hon. friend is seeking will be the decision that is made. Hours of labour and wages are, under the British North America Act, a matter of provincial jurisdiction.

Mr. KNOWLES: I thank the minister for the statement he has made. I am glad to hear that there is some possibility of something being done in this matter shortly. If action is being taken in this matter by order in council along the lines of P.C. 7679, it seems to me that the federal government should seek to establish minimum wages for the entire country at rates higher than were set out in P.C. 7679. The minister has pointed out that these are matters coming within provincial jurisdiction, but as a matter of fact, under the War Measures Act, national minimum wage rates were set up by P.C. 7679. He has pointed out that he had some difficulty with some of the provinces when any proposal was made to increase the rates set out in order in council P.C. 7679. I am sorry that the correspondence was such that it could not be included in the sessional papers to which I have referred; naturally I should have liked to know the basis of the opposition to increasing the rates from the minimum now set out.

Mr. MITCHELL: It was not a question of opposition on rates; it was just a question of difference of opinion on jurisdiction. If my hon. friend will read that minimum wage order in council he will see that these rates are stipulated only in war production industries which come under the jurisdiction of the federal government. May I express this as a personal opinion. After all this country is a continent in extent, and the various provinces, particularly the province from which my hon. friend comes have worked out what I regard as satisfactory machinery to deal with the question of minimum wages, although possibly not as good as some would like. You have all the machinery in the other provinces where they have established the minimum wage law, and I am convinced that whether you or I like it or not, when this war is finished and the War Measures Act goes into the discard, the respective provincial governments will again demand their jurisdictional rights. I think that is inevitable. That may be in the direction in which my hon. friend is thinking. I do not know, but I assume it is, in view of the observations he made about the minimum wage laws of the province of Manitoba.

Mr. KNOWLES: As I was about to say before I yielded to the minister at that point, on the other hand if it is impossible to get agreement on upward revision of the rates set out in P.C. 7679 or a substitute order in council; if in other words that is being left to the provincial governments at the present time, I regret very much that the government found it necessary to use the technicality to which I have referred to prevent the Manitoba minimum wage board from revising its schedules in certain cases. I have already pointed out that there is machinery for workers who are receiving pay above the minimum rates which can be used to make application to the regional war labour board to have those rates increased; but here is a class of people down at the bottom, at the floor, and their minimum rates are

also treated, so far as the administration of these acts are concerned, as though they were basic and no provision is made for any adjustment in those cases.

The other matter I wanted to speak about is one which I raised in the house on the orders of the day on June 7, and to which the minister replied on June 9. It has to do with complaints made on the floor of the Winnipeg and district trades and labour council concerning the activities of the selective service office in Winnipeg. The complaint was that it looked as though that office was being used by certain employers who were paying low wages, to help those employers retain their workers. The minister's reply on June 9 really did not deal with the matter as I had presented it to him. He rather pointed out that his information was that there had been no formal complaint lodged by the Winnipeg and district trades and labour council. He was quite correct in that statement. Complaint was made by members of the council at one of its regular meetings, and the executive of the council was instructed to get information on this matter. A few days later, on June 16, answers were placed on *Hansard* to a set of six questions dealing with this matter, asked by the hon. member for Davenport (Mr. MacNicol). I should like to refer to questions 1 and 6 and the answers thereto:

1. Is there a priority list or classification of industries or firms for the guidance of national selective service in placing workers?

For the present I am not dealing with questions 2, 3, 4 and 5.

6. What is the order of priority?

The answers, which are given on page 3771 of *Hansard,* are:

1. Yes.

6. The detailed order of priority is confidential and is continually changing as the war production programme requirements vary.

The answer continues at some length. I am not going to read it all unless the minister so wishes. It starts off, "Generally speaking", and continues. The point to which I wish to take exception—and I shall be glad if the minister will give some explanation for it—is the keeping confidential of this order of priority. The result of that situation is that it certainly gives workers the chance to feel that employers are able to use selective service to keep them at low paid jobs if the employers are able to get on that confidential list. If there is no abuse in this regard it would clear the matter up if these priority listings could be made public rather than kept confidential.

[Mr. Knowles.]

I asked for a return of documents in this matter, which return was brought down as sessional paper No. 68D under date of June 16, 1943. Part of paragraph 5 of the answer of the Department of Labour is as follows:

A copy of the circular No. N.S.S. 225 is attached as exhibit 7 to this memorandum. This instruction provides that with reference to persons employed in the designated establishments, if these persons separate from their employment, they may not be given, except under exceptional circumstances, permits to take employment other than in the designated establishments they have just left. In other words they are to be redirected to the employer from whom they desire to separate. Again it should be noted that this is not a "freezing" provision because the employee is at liberty to actually serve notice of separation on his employer.

I am puzzled at the wording of that paragraph. It strikes me as a bit of sophistry to say to a man, "You are not frozen to your job; you have the right to quit by giving seven days' notice, but when you get to the selective service office after that seven days has expired you will be given a notice to go back to the employer whom you just left, and you can get work at no other place." I am told by workers in Winnipeg that even with respect to non-war industries they have considerable difficulty in getting permits to leave one employment for another, particularly where the employment they are seeking to leave is one in which the wages paid are very low. The minister realizes quite well the suspicions aroused in them by such a situation as this. If he can set aside these suspicions, well and good. I suggest that one of the best ways of doing this would be to change the situation with regard to the priority listing and bring it out into the open. It strikes me that this practice of having it confidential lends itself to abuse and to the kind of suspicions that I have voiced. I want to make it clear that we are not opposed to the principle of selective service, to the government stepping in and seeing to it that people work where their abilities are most useful in the present emergency. But we deprecate, with all the power of which we are capable, any use of the principle of selective service for the purpose to which I have referred, namely, assisting employers who pay low wages to retain their employees at a time when it is difficult for them to get workers, because of the low wages they are paying.

Mr. MITCHELL: Let me say without equivocation that national selective service is not, to my knowledge, being used to cut down wages. That is question No. 1. As to number 2, with regard to the priority schedule, that

of course is confidential for obvious reasons. Before that decision was reached, the question was considered by the national selective service advisory board, composed of permanent officials of the respective war departments, by representative employers and employees. It was felt that the priority schedule, by its very nature, changes from day to day and that we cannot have a public debate on priority. A plant may switch from one thing to-day to another thing to-morrow, and we cannot have public hearings in the midst of that change. We have to move quickly. If you had public hearings you would be continually discussing and arguing about priority in the respective war industries of the country. I want to be perfectly frank. We found that in the placement of people through selective service offices they could be placed on the basis of that priority listing. The priority listing is the heart of selective service. What we endeavour to do is to put people in those industries where they are most essential, and when the hon. member reflects he will see the absolute necessity for the procedure that is being followed by the department in this very important activity under the selective services regulations.

Mr. KNOWLES: Is it not true that other matters, such as deciding on industry generally so far as the priority list is concerned, are made public by order in council without there being any debate on the question? Why is it not possible to do the same thing here? Even if it is done by order in council, to which we object, these decisions could be made public.

Mr. MITCHELL: I cannot say more than I have already said, that it is the considered judgment of all the departments of government and of the representatives of employers and employees that these lists should be confidential.

Mr. MacNICOL: I did not find any objection to the answers given except as regards No. 5. Perhaps the minister will give the reasons for the answer to No. 5: Were representatives of the various industries consulted? The answer was, no. I wondered why the representatives of various industries were not consulted.

Mr. MITCHELL: On the national selective service advisory board, national organizations of employers are represented, such as the chamber of commerce, the manufacturers' association, the mining association, the construction association. They cover that field. On the labour side are the Canadian congress of labour, the railroad trades, the Catholic syndicates, the trades and labour congress of Canada, and of course the departments concerned in the production of war materials.

Mr. GRAYDON: In taking some part in the discussion of the estimates of the Department of Labour under the war appropriation resolution, I wish first of all to indicate to the committee one or two rather important points in the background with which the minister was faced upon his assuming the office of Minister of Labour. In part, the responsibility for the man-power problem, so far as the Minister of Labour personally is concerned, is an inheritance, though of course the responsibility in part is his for the time during which he has administered the department.

Let me call the attention of the committee to this fact. The measure of efficiency of a nation effectively to plan in a time of war may properly be regarded also as the yardstick by which we may measure what this nation, or for that matter other nations, may be able to do in the time of peace that will follow the cessation of hostilities. The all but unanimous decision made by this parliament on September 9, 1939, with scarcely a dissenting voice, was to enter the struggle on the side of righteousness, freedom and liberty; and it will be interesting to recall what this parliament actually declared at that time. To that end I might quote some words from the speech from the throne which was adopted on that occasion by this parliament. I will read only the pertinent words bearing upon the matters which are now under discussion. These are the words which his excellency read to parliament:

> My ministers are convinced that Canada is prepared to unite in a national effort to defend to the utmost the liberties and institutions which are a common heritage.

Let me emphasize and underline the word "utmost" which was used on that occasion. Reference to the Oxford dictionary shows that "utmost" means the most that we can do. In other words, on that occasion we endorsed, and quite properly so, the government's proposal to engage in these hostilities on the basis of the utmost that this nation was actually capable of doing. I think that may properly be regarded as an endorsation of total war.

So far as I know, this parliament and members of this parliament of ours still approve and preach war-time doctrine of total war. I think there will be little disagreement among hon. members that to approach the goal of total effort, to get the maximum possible and

to do our utmost, it is essential that our war-time economy should be well thought out, that plans should be carefully laid and that such plans should be diligently executed, taking the long view of things. Either parliament meant what it said in 1939, or it did not; and I want to range myself on the side of those who believe that parliament did mean what it said at that time.

Mr. CLEAVER: We all meant it.

Mr. GRAYDON: I am not going to enter into an argument with anyone as to who meant it or who did not. I thought I had pretty well given a blanket endorsation to everyone in this house, and I would also include the hon. member who just interrupted me. In any event, on the presumption that we meant what we said, the responsibility which has rested upon parliament and particularly upon the government to give effect to parliament's intention in entering this war has been heavy, to use the words of the government in the speech from the throne. It is not entirely sufficient that we should be able to say that we have done well or that we have done better than others. The question should be: are we living up to the undertaking we gave when we entered this struggle, and are we doing our utmost as a Canadian people? Are we doing as a government, as a parliament and as a people that which we pledged ourselves to do?

This means, of course, that there must be careful scrutiny and diligent criticism on the part of those who are not members of the government, in order to see how far that mandate has been carried out and whether or not we have taken the steps necessary to do those things to which we are committed, efficiently and properly, leaving no stone unturned. It may be that with regard to a total war effort, on some fronts total war has been waged as far as the government is concerned. It has been waged on the government's publicity front, because the government has not been modest as to its accomplishments. I am not going to take the Minister of Labour to task on this point, because I do not think he is given to being as boastful as some people might expect a cabinet minister to be. I am not referring to the Minister of Pensions and National Health either, though his guilty look betrays a great deal to me at this moment. But it seems to me that even if the opposition were in a less critical mood than it is its duty to be, our opportunities in regard to further blandishments would be extremely limited, because certainly on the publicity front total war is being waged by the government.

When we come to consider what we have done since the declaration of war there will be those who will say, and perhaps properly—I do not intend to enter into any argument in this regard—that much of this is water under the bridge. There may be men and women in Canada, who will say, "What is the use of crying over spilled milk?" I submit, however, that so long as the same people are carrying the pail we still have the right to go back and at least review the position in order to ascertain whether or not we have carried out our obligations in connection with our undertaking of September 9, 1939. I think it may be said quite properly that from September 9, 1939, to June, 1940, man-power was on the loose. That was a go-as-you-please period. Certain situations did develop during that period, which I need not recall for the purposes of what I desire to say this afternoon; but in June, 1940, under the pressure of most disastrous events which perhaps many members of this house would not like to recall, events which left Britain herself in the gravest danger she has faced in many generations, the Prime Minister rose in his place and urged that this parliament give him and his government certain powers under the National Resources Mobilization Act. Those powers were given; the legislation was passed perhaps as quickly as any legislation to have come before this house for a number of years.

That legislation called for a registration of our man-power; but despite the great urgency which was pleaded by the Prime Minister, the registration was not completed until August, 1940. I am not particularly raising that point now, but I mention the matter in order to indicate that, in spite of the alleged urgency of the matter, there was this lapse of time. Perhaps it might be of interest to see what the government actually believed that registration would do., As reported at page 854 of *Hansard* for June 17, 1940, the Prime Minister said:

> It will enable the government to make the most efficient use of our man-power for the varied needs of modern machine warfare.

The Minister of Agriculture, who was also in charge of the registration of man-power at that time, had this to say, as reported at page 2125 of *Hansard* for July 30, 1940:

> That cooperation is given to the end that every available man, every product of industry and primary production and the whole credit of Canada shall be placed at the disposal of the governments of Canada and Britain to drive back the forces of Hitler and reestablish freedom in the world.

Those were worthy statements with which I do not think any single member of this house will find fault to-day. But there is some criticism which may be properly directed to the government and those in charge of affairs

in connection with the realization of those objectives. As the months rolled on, from August, 1940 until March, 1942—and I believe one might properly take in that space of time—in my opinion there was not to be found in government policy a forthright desire or effort to carry out what that registration actually should have meant; because, if the registration was to be useful, so far as our man-power situation was concerned, it should have been used right away. Everyone knows that registrations made to-day are of little use to-morrow. They must be used immediately, if one wishes to obtain the greatest good from them. While it may be urged that in some respects moves were made to place in position men and women who had registered especially in respect of certain skilled operations, nevertheless I think no one in Canada would say that there was any real attempt on the basis of that registration to allocate man-power in an efficient or effective way, having regard to the conditions existing in those years.

And so the months rolled on. In March, 1942, two and a half years after the beginning of the war, paper plans—yes, paper plans—were made. I am not going back to the speeches made when the legislation introducing national selective service was before the house. But shortly after that it appeared as though the government were really paying serious attention to the situation in regard to man-power. I say that because they created the position of director of national selective service, and to that position appointed a prominent man, one who had the confidence of a large section of the Canadian people. There are, however, many who feel that, so far as the government are concerned, Mr. Little was too good a planner for what the government had in mind. Apparently he attempted to bring his branch to a point of efficiency and dispatch, despite the lateness of the time, and other factors which must be taken into consideration in assessing what was done at that time. But he found in November, 1942, some eight months after the date of his appointment as director, that a number of things had happened, things the exact details of which are not known to many. So far as the public knew, however, Mr. Little tried to do an efficient job. I do not think the government will say he was not conscientious in his effort to perform the job given to him. I think the most the government will say is that it disagreed with the manner in which he operated. And I am not so sure that the government was altogether ready to accept the carrying out of some of the policies contained in the throne speech of September 7, 1939. Apparently Mr. Little was attempting to see if in respect of man-power the government was prepared to do its utmost, in compliance with that undertaking of 1939.

As a matter of fact, he failed. There have been those who said that he was not a good enough politician, and that he did not understand public opinion well enough. Well, on this score one might say the worst that could be said of him was that he failed to realize that the government programme and policy had not progressed further than to the adoption of half-way measures.

I shall not deal in detail with the events which led up to Mr. Little's resignation, nor do I think there is any special point in my doing so. But I do say that one can read from the various public documents released from time to time clear evidence of a battle in progress back of the scenes, one for which the minister and the Department of Labour must accept some responsibility. That battle was perhaps a natural thing; but having regard to what was at stake, I suggest it is not quite as natural to find that it should have been allowed to run rampant.

When Mr. Little accepted the position of director of national selective service he was given the machinery of the unemployment insurance commission. But as time went on, and the order in council of September 4, 1942, was brought to light, it became clear that the unemployment insurance offices were to be finally given over to national selective service and to be used in the field of operations over which that body had control. I believe most of us realize what took place behind the scenes, so far as the unemployment insurance commission was concerned. They were jealous, if you like, of their position as an unemployment insurance commission, and jealous of this new body which was to be superimposed upon them, and which in their opinion at least was going to alter the picture as it applied to them.

I should like to bring one point to the attention of the committee, one which we cannot overlook, because it is understood that in the result the battle was won by the unemployment insurance commission and lost by the national selective service. That being so, I should like to read part of a letter addressed to "The Hon. Humphrey Mitchell," upon the resignation of the director of national selective service. I do not purpose reading all the letter, nor shall I read the minister's reply. Had I the time I should be glad to read more, but the part I shall read is the one in point. Neither the minister's letter, nor parts of Mr. Little's letter apply. In part, Mr. Little's letter of November 16 states:

> While I have made every effort to obtain your assistance, I have not only failed to do so but

have found your actions inconsistent with your word. This makes my position as director of national selective service an impossible one.

At another point in this letter Mr. Little says:

As director of national selective service I find myself carrying grave responsibilities without commensurate authority. The present situation is one of ambiguous and divided authority, which has led progressively from confusion to friction and obstructionism. The result has been virtual paralysis in the organization.

My only reason for reading this is to show the various rays of light by which we, the public, may be able to catch something of the extent and intensiveness of the difficulties behind the scenes.

When Mr. Little resigned in November and his resignation was accepted, of course the unemployment insurance commission had won the day. I want to give everyone due credit during the war-time period. I do not think any of us have any right to ascribe ulterior motives to people, no matter where they are or who they are. I do not want to do that to-day. But where their actions come in conflict with the national interest, then I think these facts must be brought out, especially when they have a direct bearing upon the effectiveness with which the whole man-power scheme or plan has been attacked and approached. When Mr. Little left his position in November, 1942, there was a feeling that many of the recommendations he had made were in line with the words of the government, even though they were not in line with all the intentions of the administration. So that we find to-day, some six months after Mr. Little retired from the public service, such things as the compulsory order of May 4, 1943, and the declaring of a state of emergency in the coal mines of Canada. We find the government and the minister's department gradually moving into the position into which they felt at one time that Mr. Little was moving. I am not suggesting it was the only reason, but that was one of the reasons why they declined to follow the particular policy at that time.

In November, 1942, the government had reached another fork in the road. Having reached that fork, they took the turn which led, shall I say, to a more delicate and more pleasant political climate. I do not intend to find any special fault with the government for taking that action, but they did fail to take the turn in the road to which the elongated finger of necessity and the elongated finger of national interest pointed. In his speech yesterday the minister painted a very bright picture. I do not blame him for that, because he is quite capable of doing it. He said:

In my opinion, and I believe the opinion of a great majority of this house, we have the best possible man-power policy that can be devised.

Some hon. MEMBERS: Hear, hear.

Mr. GRAYDON: I have no objection to hon. members endorsing that if they like, but I think it can be said that there is rather violent disagreement on that particular point. There are many who do not hold the same political views as the party which I represent as leader in the house at the moment and who are not entirely satisfied with the whole man-power position. I think the minister from time to time must have noticed that various people were writing in the newspapers, people who have previously supported the government and who, I believe, still support the government. If the minister ever makes another speech of this kind, I think he might refer to the Halifax *Chronicle* which contains an article by a writer who is no great friend of this party, although I must confess he is quite fair-minded. I refer to Grant Dexter, one of the leading men in the press gallery, a man who is highly respected by the government and by all. Under date of April 8, 1943, referring to selective service, he said:

There is no dispute to-day about what happened last year. None of the objectives of selective service were reached.

Mr. MITCHELL: That was three months ago.

Mr. GRAYDON: The minister must have worked much faster during the last three months than the government has in the last four years if he has made the progress which warrants the praise he feels he is entitled to. I could go on and quote others who are also government supporters and who do not think the minister's plan is the best one that could be devised. I have not the clipping with me, but I can remember taking it from one of the Vancouver papers. This was an article written by another writer who has at least been friendly toward the government and who is also fair-minded. I refer to Mr. Bruce Hutchison. He described the situation in connection with national selective service in a most homey way. He said, in effect:

We are going to lock the door after the horse has been stolen, but we are going to do more than that. We are going to unlock the door and go out to try to find the horse that got away and coax him back into the stable with oats paid for by the taxpayers of Canada.

I wanted to put that on record because it has a direct bearing upon the minister's

statement. He may find the majority of this house in agreement with his statement, but there are some important people in Canada, and many people generally, who do not believe that this is the best plan that can be devised. May I point out that in so far as the man-power policy for the needs of industry and of agriculture—

Mr. GRANT: You might tell us something about the old horses that were used in the last war.

Mr. GRAYDON: I am busy now, but I may see my hon. friend afterwards. We should be frank and truthful about this whole matter of meeting the needs of industry, of agriculture and of the armed forces so far as man-power is concerned. We should consider what the people across Canada are really thinking about this. We have not used the most effective scheme or plan for the best utilization of man-power in these three particular branches. We might as well be frank about it. I should like to see the minister expunge that statement of his from *Hansard*. He will be a bigger man if he does. He should admit that we have made mistakes —who would not make mistakes?—but this is now our new plan, and we are not going to depart from it. He should say that we are to have a national compulsory selective service in its broadest form. I should like to see the minister take that position, because then I think the public would react more readily to his statement. There is nothing worse from the minister's point of view than to try to defend the indefensible, and that is what he has been attempting to do in this particular case.

I know the minister will not mind my referring to the Winnipeg convention, nor will the hon. member for Kings (Mr. Grant) who wanted to interrupt me a few moments ago and who perhaps will be more successful on another occasion. This has been put on the record before, but I wish to put it on the record again because it represents the views of a great party which has its responsibilities well in mind and which represents all classes of our people. This party unanimously endorsed the following proposal, which I submit to the minister ought to be put into effect by him and by his government:

> Recognizing that the world struggle in which Canada is engaged requires a total war effort, we believe in compulsory national selective service, and that all those selected to serve in the armed forces should be available for service wherever required.

I leave that, because as a matter of fact we have problems with respect to the competition of various departments for men. It is only necessary for a man to sit in the house for a time to see the position in which the government finds itself with respect to these competitive demands for man-power.

There are certain questions affecting the whole man-power front. What is the government's position with respect to industry, labour and agriculture? When I hear the Minister of Labour talking of cooperating with labour, I really wonder whether this government has actually taken labour into its confidence and made labour a major partner in the war effort. Industry and agriculture are our two main civilian activities in connection with the war, and surely there is no reason why labour and the farmer should not be made major partners in our war effort. To hear the Minister of Labour talk, one would think that had been done, but what are the facts? On the general advisory board for national selective service there is but one farmer. That is not good enough. The people engaged in agriculture in Canada will not be satisfied with that.

The minister speaks of the representation of labour on various boards, but I was astounded to hear an answer he gave to an hon. member to my left. The Minister of Labour said: Of course, labour has equal representation in labour matters. But, Mr. Chairman, I see no reason why labour should not have majority representation in labour matters because they are not given sufficient representation with respect to any other matters in Canada.

Mr. MITCHELL: I did not say that.

Mr. GRAYDON: I am not very good sometimes at remembering a man's actual words, but I was not trying to misquote the minister. I am quite prepared to accept any statement the minister might wish to make by way of correction. I was saying, Mr. Chairman, that labour and agriculture have not been brought into this war effort in the way they deserve to be represented.

When the former director of national selective service, Mr. Elliott Little, was attempting to put through compulsory labour orders he had the backing and support of labour generally in this country, and I will tell you why, and why labour was so concerned over his departure from that office. He had the backing and support of labour because he took labour into his confidence as director of national selective service. You cannot ask labour to move, to shift their position, to suffer every inconvenience unless the government, yes and the director of national selective service, are prepared to cooperate and work with the representatives of the great body of labour in this country. That is the

solution, and that is one of the reasons why the Little way was so popular with labour in this country.

We hear much about the compulsory aspects of the man-power problem. But when the war-time prices and trade board was set up and when the anti-inflationary price ceiling and wage freezing policies were enunciated by the government and adopted by parliament, surely it must have been apparent to every member of the house that with compulsion applied to prices and compulsion applied to wages, an important leg of Donald Gordon's stool was left out, namely the compulsory power to allocate labour and man-power generally throughout Canada. When I talk about compulsory labour and man-power I talk about the kind of compulsory labour and man-power that has the backing and support of the trades union movement in this country and of our working men generally. Without that cooperation from labour, without their approval and consent, this problem becomes more acute and may perhaps become insoluble.

I want to say this, and the minister himself being a labour man knows it, that labour in every branch of our civilian activity has shown that it is prepared to do anything to help our national war effort. I defy anybody in this house to say that labour cannot be relied upon to play its part, no matter what it may be called upon to do. Labour is too loyal, too patriotic, to do otherwise. Labour, of course, does not want to be moved and jostled about unnecessarily. Nobody is asking that. But when the minister indicates that all our activities have been keyed up in a total all-out war effort, one thinks of the situation in the coal fields in Canada and of the shortages that exist in many other lines. Not so very long ago, I think it was in this debate, I heard the Minister of Labour say that the shortage of man-power in Canada actually indicated the extent of our war effort. I think he had better tell the whole story. The committee is, I believe, well aware of the fact that one of the members of the minister's own department, Doctor Couper, when he was in Toronto and talking of his department as people sometimes do when they are away from home—I do not blame him, because it is one way in which we can get information just as the hon. member for Lake Centre found out yesterday—said when he was away from home and free from the overshadowing wing of the Minister of Labour, that we did not have the right men in the right place at the right time. I cannot quote his exact words because I have not them with me at the moment, but the statement has already been put on *Hansard* and it was to the effect I have stated. Doctor Couper let the cat out of the bag. He told us what the trouble was with our man-power problem.

Mr. MacNICOL: Square pegs in round holes.

Mr. GRAYDON: My hon. friend the member for Davenport has always a better phrase than I have and I thank him for it. The minister talks about the measure and the yardstick of our man-power, but I think he will have to revise his remarks because, if there was one idea behind national selective service, it was to take out of non-essential industry and put into essential war-time activities the maximum of our man-power. The Minister of Munitions and Supply the other night, using figures rather recklessly I thought, said that between forty and fifty thousand men could be utilized in munitions industries generally, and I am not so sure but that he confined it to one particular industry.

Mr. MacNICOL: The aircraft industry.

Mr. GRAYDON: My hon. friend the member for Davenport helps me out again. He says that it was in the aircraft industry alone. That makes my argument all the stronger. It is all right for the Minister of Labour to say that all is well under national selective service, but I point out to him that there are industries closely allied to the furtherance of our war effort which require immediately and urgently men and women to fill vacancies in their plants. What do we find with respect to civilian activities generally? I am going to take the liberty of quoting again from one of the minister's favourite journals, the Regina *Leader-Post*. I do not want to hold up that newspaper as more accurate than any other, but at least it is reasonably accurate and fair, as the Minister of Mines and Resources has so often found in relation to his own affairs.

Mr. CRERAR: I wonder if my hon. friend always accepts what the Regina *Leader-Post* says.

Mr. GRAYDON: This is the only issue I have, and if I can judge it by this article, I might be ready to accept its statements on other points. This is an article which I do not think the minister could have read when he spoke of this plan as being the best that could be devised, because Mr. Dexter again comes to the front with a headline in the Regina *Leader-Post*, "Disquieting Facts." I shall not go over the whole story, which is very interesting, but I wish to quote one paragraph.

He says:

Hitherto the positive side of man-power policy has been reviewed. The record shows that grave mistakes were made.

The negative side is equally disquieting. The failure of the government to use men and women effectively has meant that they have been allowed to remain at non-essential work. And the proof of this statement is to be found in the statistics on employment and sales.

He goes on to make comparisons by index numbers of employment in several industries. These, he points out, are civilian industries and not necessarily directly connected with war material production in the usual sense of the term. Take, if you like, from his article, the making of furs. Employment rose from 96·5 in 1938 to 103·9 in 1942. Increases are registered practically all along the line. In beverages of all kinds, for example, he says that employment has risen from 168·9 in 1938 to 241·9 in 1942. As regards personal trades, meaning laundries, et cetera, the figures for 1938 are 141·5, and for 1942 194·6. It may be possible for one to make deductions from these statistics which are not warranted as far as man-power is concerned, and I do not want to do so, nor do I desire to reflect on the industries just mentioned. But it must be abundantly clear that on the question of man-power the government has not carried out the undertaking and the pledge made to the people of Canada on September 9, 1939. To those who deny that the man-power policy is not a good one I would repeat that, having in mind the history of the problem and the puny efforts made to deal with it, those adjectives which have been applied to it in the past are applicable to it now, namely, that we have a muddled, misconducted, misconceived and mistaken policy with respect to our whole man-power problem.

The national selective service system has paid sufficient attention to the matter of the local offices. It is there that the whole heart of national selective service is to be found. We are dealing with human beings, not commodities; and, having that in mind, is the minister satisfied that the local branches of the national selective service as at present constituted are capable of carrying out the work which actually has been assigned to them?

Mr. MITCHELL: If my hon. friend will let me say this, I think he will appreciate that in the last six months we have developed an enormous organization. These people in these selective service offices are human beings like ourselves; they are working in a virgin field, and I think they are entitled to all the credit that can be given them for what they have done in the most difficult job that has been undertaken during the present war emergency.

Mr. GRAYDON: I do not take a back seat to the minister in paying tribute to those men and women who were brought in there at the last minute, at a time when they should have had years of training in job placements and in special analyses of work. The minister now rises in his place and asks that special consideration be given them because they are amateurs in the field. Of course, in many instances, they are amateurs; of course the minister was right in rising in his place and defending them; but my contention is that upon the government rests a heavy responsibility for the fact that they are amateurs when we are nearing the end of the fourth year of the war.

Upon the item of national selective service I want to make a few more detailed remarks and ask the minister a few questions. I wish he would explain to the committee why there were so many other resignations from national selective service after Mr. Little's own resignation. I should like to know why it is that, so far as I know, no real records have ever been kept—records which are efficient and really mean something—in the local offices. Perhaps the minister may be able to give an explanation. I hope he can. It is not sufficient to change men's jobs just on the basis of something which happens to be on a card.

Mr. MITCHELL: If my hon. friend will tell me what he wants, I will try to get it for him. His question is a little vague.

Mr. GRAYDON: I appreciate that it may have been. I should like the minister to bring down at the appropriate time when the national selective service estimates are on, the whole picture, by statistics and otherwise, as to the records held and how they are kept in the local offices of the national selective service all over Canada.

I intended to say something more, but in view of the lateness of the hour I shall close my remarks in a few moments. The national labour board is doing a job with respect to labour, and will shortly bring down its report. But I point out to the committee that what this board should also be doing is making a sweeping investigation into the whole inefficiency of national selective service, from top to bottom. I am amazed when I recall that the House of Commons' industrial and international labour relations committee has not sat for years. Surely the government might appropriately have remitted this matter of selective service either to the war labour board or to the House of Commons committee I have mentioned, because, if ever there was the need of a sweeping inquiry, there is need of it in all aspects of national selective service,

even at this late date. We owe it, I believe, to the country, because this body will be used not only during the war but with respect to the demobilization of our men, which perhaps is a more important matter than any of the things we have mentioned this afternoon.

Without delaying the committee any longer, I ask the minister to accept the suggestions I have made as not actuated by carping criticism but, rather, as presented in a spirit of goodwill. There is not a gentleman in this house, nor a lady either, who can claim a monopoly of patriotism in our effort to win the war. We may differ in methods, but we are one so far as our objectives are concerned, and I think we may all thank God for that. Therefore I ask the minister, in the light of what I have said this afternoon, to see to it that his department is brought up to a standard which is worthy of the great war effort to which this house pledged the country on September 9, 1939.

At six o'clock the house took recess.

After Recess

The committee resumed at eight o'clock.

Mr. CLEAVER: Mr. Chairman, the leader of the opposition has just concluded an able presentation of the position and platform of his party with respect to our man-power problem. Some of his remarks were a bit severe; I recall once when he referred to Canada's man-power policy and added, "if we have one", and again when he said the man-power policy was a "muddle". In the main, however, I want to compliment the hon. gentleman upon a very thoughtful, well-reasoned and rather clever exposition of a weak cause.

In the time at my disposal I wish to try to advance before the committee the other school of thought in regard to our general man-power policy. I know my hon. friend will concede at once that practically everyone in this country, and certainly all political parties, desire the maximum and most efficient mobilization of Canada's man-power in order to achieve victory. Since we are in full agreement as to the object we wish to achieve, this narrows the subject under discussion to a reasonably small problem, namely the means by which the maximum mobilization of Canada's man-power can best be attained. The hon. gentleman went back into history to quite an extent in order to build up his argument, and I should like to remind him that in 1940 both major political parties were opposed to the conscription of man-power. If my memory serves me correctly, the leader of the opposition was one of the first private members in the 1940 election to commit himself strongly on the public platform as being opposed to conscription. I do not wish to say anything more about that, because in my opinion that stand, like the greater part of my hon. friend's speech this afternoon, is now past history.

To-day we have two schools of thought. The Progressive Conservative party is pledged to a 100 per cent regimentation of man-power by way of national selective service. They believe—and they have a right to their views—that Canada's man-power can be more efficiently mobilized by some selective service officer telling every grown person in this country just what job he or she should do. This, of course, means nothing less than the most autocratic form of bureaucracy, to the *n*th degree; there is no question about that. In the light of the many statements I have heard from members of the opposition in recent weeks opposing bureaucracy, I am a little bewildered and confused as to how they harmonize those two viewpoints. I concede at once that there is a certain mentality abroad in the world—and Canada is no exception—possessed by certain people who do not consider that they are accomplishing anything unless they have a master plan and are pushing or bossing somebody around. The other school of thought, the one with which I associate myself, is this. We believe that in any freedom-loving democracy a much better war effort can be attained, and a much more efficient mobilization of man-power can be achieved, on a voluntary basis. I believe that most individuals know what they can do to further Canada's war effort better than some selective service officer in Brampton or Burlington or Oakville can know. We believe that regimentation or selective service should not come into play and should not be used until the actual need for it arises.

In the light of that belief let me discuss some of the arguments advanced by the last speaker. The first comment I wish to make is in regard to his desire for a master plan and his statement that because we have not what he terms a master plan, we have a muddle or no policy or no plan at all. In advancing that argument and believing as he does—for I know he honestly holds this belief—that the plan is the all-important thing instead of the end to be achieved, it is only natural that he should devote much of his time to criticisms with respect to the

plan. He spent quite a good deal of time in discussing the resignation of one official from the department. He spent a good deal more of his time in referring to the fact that, as he put it, one commission had won a victory and some other commission had sustained a defeat. Then, of course, he had quite a generous display of criticism with regard to the lack of a master plan. In all charity, I suggest that my hon. friend entirely ignores the fact that a voluntary system can be a plan, and that it is the most effective plan for any freedom-loving democracy. I should like to remind the committee that year after year we have heard our war ministers forecast the man-power needs for the air force, the navy, the army, war industry and the like; and at the end of the year we have heard reports from these ministers telling us that these forecasts have been fulfilled under a voluntary plan. Just let me remind the committee that yesterday the Minister of Labour (Mr. Mitchell) told us that only a year ago, in March, 1942, the forecast was that we would require 100,000 additional workers in war-time industry. Now, with this "man-power muddle" that we had, and "no plan at all", did we raise 100,000 men for war-time industry? We increased our war-time workers not by 100,000 but by 320,000 in that period of time.

Then, coming to the armed forces, our ministers of national defence forecast that from March 1, 1942, to March 1, 1943, we would require an additional 193,000 men for the armed forces. Did we get them? We got 220,000 for the armed forces during that time. Once again the objective as forecast was more than achieved.

I should also like to remind the committee that when these forecasts were given I cannot recall any serious opposition from any member in the opposition as to the size of the forecasts. I think we all believed at that time that the forecasts were optimistic, and were quite as much as this country could expect to achieve in one year of war. To me the results speak much louder than words. With regard to the armed forces, by our voluntary system, in the air we have raised all the men we need, and we still have a waiting list in some departments. In the navy we have recruited all the men we can use up to date, and we have a waiting list that runs into thousands. In the armed forces, the field forces, we have recruited by the voluntary system all the men we need for overseas service, and in addition to that we have a good sized back-log of men taken on a compulsory basis, and trained. These men will be available, should any unexpected emergency arise, and should they be actually required for overseas service we have them already trained.

In agriculture and in war-time industry it is true that we are running into shortages. That is to be expected. As this country nears its maximum war effort it is inevitable that we should run into shortages of certain supplies, and surpluses of others. In war-time industry I believe that in the main there are three branches in which we have shortages.

Let me remind the committee of the terrific expansion that has taken place in aircraft production. At the beginning of the war just over a thousand men and women were engaged in the aircraft industry. They were working in nine little plants, involving less than half a million feet of floor space. What have we to-day? We are nearing the 100,000 mark with respect to workers in aircraft production, and factory floor space is well over 5,000,000 square feet. That is a terrific expansion. I do not think too great a compliment could be paid to the director of aircraft production, everyone in that branch and everyone in the aircraft industry for the tremendous results which have been achieved.

Then, we are running into shortages in shipbuilding. And yet, look at our production figures. One speaker yesterday was more interested in the shortages of man-power in the shipbuilding industry than in the number of ships we were producing. We are also running into shortages in coal production. On the other hand we are approaching a tapering off with respect to some other types of production, and this means of necessity that there will have to be a substantial transfer of workers from the industries which are tapering off to other industries where we still have unsatisfied demands. It also means, too, that we shall have to make still further draws on woman-power.

The Minister of Labour has outlined our forecasts of requirements for the coming year, both in war-time industry and in the armed forces. He has outlined, in an extremely able address, just what steps he is taking to ensure for Canada that this man-power and woman-power will be made available to meet our requirements. At this point, notwithstanding what has closely approached ridicule from some hon. members opposite, may I pay a well-earned tribute to the Minister of Labour, and to every official in his department, from the deputy minister down to the last grade clerk in the outlying office. They have earned the well-deserved tribute of the people of

Canada for the way in which they have kept man-power and woman-power supplied to industry and to the armed forces.

It is true that as we reach our maximum war effort—and by the way, Canada's war effort apparently is much more appreciated abroad than it is right here in the House of Commons—some forms of compulsory direction have become necessary. A state of national emergency has been declared in connection with our coal production. Some forms of direction and compulsion have become necessary.

At this point may I comment on the fact that the leader of the opposition is already dissatisfied with the way in which national selective service is commencing to interfere with some people's private freedom and private lives. He took pains this afternoon to remind the minister that he is dealing with "human beings," not with "commodities." Bless you, did the leader of the opposition not find out until to-day that national selective service deals with human beings, not with commodities? I have known it all along.

Mr. FRASER (Peterborough West): Wonderful!

Mr. CLEAVER: All right; my hon. friend will have a chance to speak later on.

That is why I am opposed to any unnecessary compulsion. I believe that every man and every woman in Canada have consciences, that they want to do their utmost to help win the war, and that each one individually can best decide what contribution he or she can make to the furtherance of victory.

Then, again, we are asked why we did not have selective service years ago, the implication being, that because it has been instituted comparatively recently the officials are ill-trained and not ready for the emergency. My answer to that is this: We did not have national selective service in its present modified form any sooner for the very same reason that we did not have rationing sooner, and for the same reason we still have voluntary victory loans, the reason being simply that compulsion and regimentation, down to the time they were brought into force, were unnecessary. I wish also to remind my hon. friends of the fact that while we have a very much modified form of compulsory savings in the income tax field, to help finance the war, still a very large part of war financing is done on a voluntary basis. I have not heard any member in the opposition say that the financing of the war or the victory loan drives have been a "muddle", a "half-hearted effort," or "no plan at all"; and yet we are carrying out exactly the same policy with respect to man-power as we are with respect to dollars to win the war. To my mind the freedom of the individual and his right to choose the job he wishes to choose, where he thinks he can serve best, are much more sacred than dollars and cents. I suggest that that is the reason why for well over two years in this war the government permitted every individual to get fitted into the type of work he or she could best perform.

In studying the present attitude of the opposition and trying to harmonize their protests of the day before yesterday and their great opposition to bureaucracy with their protests of to-day when they have stated that they want an autocratic bureaucracy to the *n*th degree with respect to man-power, the only inkling of an explanation I have been able to find is an article by Bruce Hutchison which appeared in the Winnipeg *Free Press* not long ago. This afternoon my hon. friend quoted from an article by this same gentleman. This article from which I intend to quote I think rather explains, if there is any possible explanation, this hot and cold position of the opposition. It is all very well for an opposition when in opposition to try to remain on both sides of the fence, but if they ever have the misfortune to get on the government benches I suggest that they will find it rather difficult to supply boiling hot ice-cream and the like. We have heard a lot about the Winnipeg convention, and it was quoted to-day. It is my view that the Winnipeg convention is couched in such high-flowery language that the man on the street does not understand it. Personally they have put the feed far too high in the rack for me. I think in this article by Mr. Hutchison there will be found an explanation of Mr. Bracken's interpretation of the Winnipeg convention which the man on the street can understand. I quote:

> Profiting by the recent utterances of Mr. John Bracken in these parts I have prepared the following address to the electors of Saanich, where I hope some day to be elected to some high public office like the school board.
>
> Ladies and gentlemen: In these grave times it is necessary for a public man to speak out frankly the faith that is in him and declare the policies by which he stands. I must tell you, therefore, that I stand unequivocally for general prosperity and a higher standard of living for everyone. For this reason I shall oppose depressions. I am a disbeliever in hard times.
>
> I stand for the right of every man to have a job, a wife, two children, a home, a car and vigorous health. I stand for the right of every man to be insured against all the hazards of life, but I object to any deductions from his

pay for these purposes. Nor should insurance be a charge on industry. To be fair, it must be financed without expense to anyone.

I stand for the right of every man to high wages. At the same time, I insist on low prices. As for inflation, I shall be frank. I am against it. But anyone except a slave of the banking system knows that, by creating more money, the state can pay higher wages without causing any rise in prices. If the state will only have the courage to take away from the working people, through taxes, all the extra money it pays them.

I believe in the right of capital to earn a fair income on its investment, provided, of course, that the public does not have to pay it.

I favour private initiative. But on the other hand, I have an abiding faith in socialism, applied with discretion. Private initiative must be given every opportunity to expand, unmolested by the state. But the state must certainly remove the last vestige of the profit motive.

I may be called a Liberal. Or, if you prefer it, call me a Conservative. I am also a member of the C.C.F. in good standing, with strong leanings towards Social Credit, technocracy, communism, British Israelism and somnambulism. Also I am an Elk and an A.R.P. warden.

In international affairs it is my opinion we should have world peace, after this war. Speaking bluntly, I think we should seek to avoid world wars. I also deprecate famine and pestilence. I stand for collective security. But I am opposed to any reduction of Canada's sovereignty. I want a strong league of nations, but I certainly would refuse to give it any power.

Provided our own industries can be protected from the competition of cheap foreign goods, I strongly advocate a reduction in tariffs. World trade must be restored but not, of course, at the risk of importing foreign commodities.

In provincial affairs, I favour a coalition government composed of Liberals, Conservatives, members of the C.C.F. and anyone else who cares to join it, so long as I am in it.

I ask the hon. member for Mackenzie (Mr. Nicholson) to take note of this. He attended a Cooperative Commonmealth Federation convention a few days ago which passed a resolution on beer. I continue:

While I am a prohibitionist, I am not a fussy one and favour more beer for the public, at less cost.

All provincial health, education and other services should be expanded. More roads should be built. Taxes should be reduced as part of the same programme and the budget balanced. The government should take over the British Columbia electric railway company—

Will the hon. member for New Westminster (Mr. Reid) please note.

—provided the management remains in private hands and is kept out of politics.

As a farmer I insist on higher prices for all farm products. But, of course, the consumer must not pay more for his food.

In all such problems I believe in long range national planning, a programme which will cover every part of the whole country. But I shall oppose to the last the centralization of authority in the government at Ottawa. What we need is control of and regulation of our whole economic system, without bureaucracy.

Summing up my views as to the future, I should say that the future undoubtedly lies before us. Let us face that fact boldly.

Mr. GRAYDON: That sounds like a 1935 election speech of the present Prime Minister.

An hon. MEMBER: 1930.

Mr. McKINNON (Kenora-Rainy River): Mr. Chairman, in opening my remarks this evening I should first like to pay a tribute to the Minister of Labour (Mr. Mitchell) for the comprehensive and excellent address he gave us yesterday. It is no mean job for any man to deal with so many subjects in the limited time he had at his disposal. I wish to pay a sincere tribute to him for the success he has made of his department. It is all very well, and I know they are within their rights, for our hon. friends of the opposition to adopt the attitude they have, but I think we must all be frank and admit that when one looks at the general picture there is not a person, regardless of his partisan politics, who will not admit, when he sits down and studies the matter, that in so far as the Department of Labour is concerned, particularly since the present minister took office, it has contributed its fair share to the development of the things that had to be developed in Canada and to the welfare of our war effort as a whole. Speaking as a campaigner of forty years' experience, I sometimes sit back in amazement at some of the things our hon. friends of the Cooperative Commonwealth Federation have to say, because I happen to have taken part in these affairs for considerably over forty years as a member and officer of a trades union movement. They seem to overlook many of the things that have been accomplished in days gone by and try to focus on the things they hope will be accomplished in the immediate present.

I happen to have come up the hard way. I am not talking because somebody wrote something in a book or because somebody else thinks it is a nice thing to say. I came up the hard way and went down into my pocket when it hurt and paid to get the things I now enjoy. I often say to myself—I have never said it here publicly before—that I wish some of our hon. friends of the Cooperative Commonwealth Federation, whose motives I do not question for a moment, had had some of the forty years of hard battling that brought about the conditions which my organization happens to enjoy at the present time.

Mr. COLDWELL: Give us a chance. We are not all that old.

Mr. McKINNON (Kenora-Rainy River): Probably you are not. But I think your party long before it is as old as this will change many of the policies it so strongly advocates to-day. Experience is one of the greatest teachers that anybody has. There are some things one cannot learn out of books; one has to learn them the hard way, and the hard way is, in my opinion, the way that pays dividends in the long run.

At the present time, when man-power policies are of such great consequence to our country and its war effort, it is not easy for a member to choose the particular topics to which he should address himself. As the minister's address shows, such a broad field is opened up by a consideration of his estimates that a member must make a careful selection of the items he chooses to discuss if he wishes to contribute something specific to the debate. Therefore, if I speak of some phases only of the labour department's activities and not of others, it is not that in my opinion they are not of importance but rather because consideration of time make it impossible for me to deal with them all.

It seems to me that nothing is more truly basic to a successful war production programme; nothing is more necessary for the welfare of our people, and nothing is more necessary for progress within Canada than peaceful industrial relations—a clear and satisfactory understanding between employers and their workers. Perhaps the public is sometimes to blame more than it realizes for strikes and other disturbances to industrial relations, not through any action the public causes to be taken, but on account of its complete neglect of the importance of industrial peace until a work stoppage occurs. Once a clash takes place; once employer-employee relations have passed the breaking point, the public, especially in war time, demands that something be done about it, that industrial peace be reestablished immediately. That, however, is quite late for effective action. A good deal of damage has then been done. Had public opinion been brought to bear earlier; had the cause of misunderstanding been removed in advance, no strike would have occurred; no interruption of production would have taken place, and continuing ill-feeling would have been avoided.

As a worker myself, as a member and sometimes an officer of a trades union for more than forty years, I am absolutely convinced that no strike ever occurs which could not have been avoided by men of good-will, representing employees and employers, sitting down together and settling differences in a spirit of give and take. During the period of more than forty years to which I have referred, I have been an employee of the Canadian Pacific Railway. As a union member, I never was called upon to vote "yes" or "no" on the question of a strike. Yet we had grievances and plenty of them. Some we got settled in our favour; others went against us. Maybe we were not always right, and I am sure that the company was sometimes wrong. But I must say this for the company as an employer: they were always agreeable to meeting us; they would always discuss grievances with us; they would explain their point of view and listen to ours. The company would give in here, and we would have to yield there. We tried to be reasonable, in order that the company would respect our views and would give in a little more readily the next time. It worked, for the company acted in a good deal the same manner. Mutual confidence was won and established. Union handling of cases was taken for granted. An excellent understanding has certainly resulted.

With a proper disposition on both sides, similar understanding can be developed in any industry. To encourage such a trend in industrial relations, the government should go all-out to support the workers' claims to collective bargaining rights. The right to join a union of his own choice; the right of workers to bargain collectively, should be corner-stones of our civil liberties, of our social arrangements. Leading employers will, I am sure, agree with this view. Those who do not should be convinced by government policy that they are wrong and must change their attitude. Advancement of the workers' recognized rights through trades union organization is the democratic way. Government policy and legislation should support it at every turn. Some leadership the government has given; I might mention the grant of bargaining rights to employees of government companies. But I wish to urge even broader action, greater support of collective bargaining as a means to industrial peace founded upon recognition of mutual rights. As evidence of the attitude of a forward looking employer on the subject of labour relations I wish to call attention to a statement recently made before the reconstruction committee of this house by Mr. W. M. Neal, vice-president of the Canadian Pacific Railway. Mr. Neal stated that his company takes for granted the settlement of working arrangements with their employees through dealing with trade unions; that he felt that organized labour through its leaders would make a big contribution to post-war developments in this country. I think anyone will agree that employees will respond to that attitude on the part of their employers will

give their best and will cooperate fully. We must try to have all Canadian employers come to the same point of view.

I trust that when the national war labour board reports on industrial relations, no time will be lost in putting into effect any recommendations it may make which promise improvement for labour and management in their relations with one another, and also, if any action in the same direction which is not recommended seems called for, such action will be taken. No one can disagree with the statement that full war production as well as post-war reconstruction demand improvement of industrial relations, removal of the causes of unrest.

To come now to man-power policies: the summary given by the minister of the steps taken in recent months is an impressive record. To say that more must be done is not to say that past policies have not been effective. I think the policy the government has pursued is the only possible one in the light of all the circumstances. An over-all plan, with all details blueprinted for the future, has a great appeal to it, I will admit, but I am not at all impressed that it would get us anywhere. Surely Germany is the example of a country with an all-out man-power plan; yet what do we find? That country has constantly to shift its plans, to get labour from Italy, from the occupied countries. Clearly Germany has man-power shortages; a blueprint did not avoid them. I subscribe to the idea that man-power policy must be a piecemeal affair in relation to the armed forces, in relation to industry—in relation to the different branches of industry. Of course, policies in regard to each section of the problem must be related to those of other phases of the problem—the forces related to industry, farming fitted in with mining and logging, and similarly with other phases. But the plan must be built up in sections, and pieced together later. It is not practical, in my opinion, to take a blank sheet of paper and draw up a broad plan to cover the whole case. I think the government has followed the wisest course, the course related to reality. Such errors as have been made are in detail, it seems to me, and many mistakes must be expected in such unusual conditions. But, generally speaking, the plans followed have given reasonably satisfactory results.

As one quite familiar with the views of Canadian workers, I believe it is necessary to say a few words on the compulsory measures to move men in industry, which have been taken lately. This is one subject which has been very much under discussion during the last couple of days, and I should like to express my opinion as one who is not speaking from the book, but speaking from forty-two years' experience in what makes the wheels of industry go round.

Labour shortages in wartime are bound to occur, and, at least in my opinion, no great plan for the distribution of workers can prevent them. The pressure on us to provide men and women for the armed forces, and at the same time for a stepped-up industrial organization, together with unforeseen changes, weather changes and other causes, must have their effects on the supply of workers. Then, of course, there is the question of skills, of technical training in industry; no man or woman can master overnight a trade which it takes years to learn. The consequence of this is that, as war develops, abnormal demands arise for some classes of workers; there may be people available, but they will not be people with the skills required. This has occurred in the present war; this may cause the less thoughtful to feel that the best use of our man-power is not being made, but that is not necessarily the case.

To overcome labour shortages; to cause men to shift to more important work—even if less desirable employment in some cases—the government has thought it necessary to bring in compulsory labour transfers. I consider that in doing so the government followed the only course open, and yet one must feel—and I do feel—that even in war time, when we grow used to taking orders from the government, there are dangers in this kind of compulsion. I suggest to the Minister of Labour that he give constant and careful study to the problems connected with these transfers to see that the rights of the workers are safeguarded as far as possible, that the coercion is administered in such a way that injustices will not be inflicted on those affected, and that inequalities and hardships will not exist if avoidable.

I suppose that these transfers are still in an experimental stage, that they will be studied and the system improved as time goes on. I hope this is so, and I would recommend that course to the minister. We know his problem. We need coal, farm production, lumber production and production of other types, and his is the job of getting the labour. But care should be taken to base the procedure on experience and on fundamental fairness. It seems to me that the method of placing large powers over the individual in the hands of a selective service officer has its difficulties. It must place that officer in a very difficult position at times, as, for example, in the case of these transfers. My suggestion

would be that the actual transfer of a worker should be decided by a small local committee, made up of local citizens, and representing, say, labour and employees, together with some general members.

I realize that a man to be transferred may appeal to a board. But I think the whole transfer system would be put on a more secure basis, that it would earn more public support, if the transfers were first decided by local representative committees, rather than by officials. This is a suggestion I should certainly like to see considered. It would undoubtedly inspire greater confidence and should lead to more effective results.

In conclusion, one thing that has always worried me is the rate of wages paid to grade one employees of the government. I congratulate the government upon recently deciding to increase the remuneration of these employees. In my opinion the lower paid services, grade one and grade two, should be put under the Minister of Labour. The finance department is no place to decide on the merits of these cases. Recently it has been decided, I gather from press reports, to pay $70 a month, but there is a period of waiting of eighteen months before the $70 becomes effective. Just recently a hostel has been opened here for grade one employees. My latest information in the matter is that only twenty-five have applied. These people cannot afford to live there.

In all fairness I suggest that the government should be a model employer, and if these people cannot afford to live in this hostel, which the government has spent many thousands of dollars to build, it is pretty nearly time that some of the milk of human kindness was injected into the members of the treasury board, so that when people are employed they may be given reasonable consideration. Eighteen months is a long time, and many people could starve to death in the first eighteen months of their employment by the government.

Mr. STIRLING: I should like to begin by expressing the opinion that it has been a pleasure to listen to the hon. member for Kenora-Rainy River (Mr. McKinnon). He has spoken words of sense with sensibility, and he has been speaking to us on a matter on which he is well informed. That must always be a pleasure in this House of Commons.

It has already been said that in our opinion the application of the regulations concerning man-power has not been carried out with equality right across the country among different sorts and conditions of men and women. To that opinion I subscribe, and I wish to speak for a few moments this evening on a manifest instance of inequality in the incidence of the regulations. I mean the Doukhobors in British Columbia.

The minister is one on whom we look with a good deal of kindliness. He has inherited a task which to many would be an unenviable one. He has had to add to schemes which were in preparation before he assumed his present position. He has a different crop of difficulties with his breakfast each morning, I imagine, and to that crop I am going to add one more, namely, the Doukhobors.

The minister knows that the hon. member for Kootenay West (Mr. Esling) and I, representing two neighbouring constituencies in British Columbia, and having acquired a certain amount of knowledge with regard to these people, have always done what we could with succeeding ministers to give what assistance we could to the minister in handling this problem which is so difficult. But I think it is quite manifest that there has been inequality of treatment so far as the application of the regulations is concerned.

In 1940 there was a national registration. That numbering of the people had of necessity to be spread equally over all the people, men and women, old and young, for otherwise the result would have been of little value; and yet it is within the knowledge of all who live in the neighbourhood of Doukhobors that many, many of them took no notice whatever of the registration. Although penalties were attached to those who did not register, I am not aware of any case in which a Doukhobor has been proceeded against for failing to register. A year and a half after that, there was a man-power check-up. Those in employment had to fill in certain cards and give more recent statistical information to the department. There were Doukhobors employed in southern British Columbia in sawmills and in this industry and that. Many of them did not fill in the cards, and it was intimated to at least one sawmill owner that perhaps he should not be too stiff in his requirements but should do all he could to assist the unregistered Doukhobor to answer the questions on the card, if the employer wished to continue to use him. I am informed that in a considerable number of cases those forms were sent to the registrar with little more than the names of the men on them, and they continued to be employed.

Then, when we came to the call-up by ages under the mobilization act, the medical notices were sent out to Doukhobors in common with other people, and in many cases no attention was paid to them. I am not aware of any

instance in which the regulations attaching to non-compliance were made use of with regard to Doukhobors. As a consequence, the people who live in that neighbourhood, the ordinary Canadian citizens, have seen their sons and daughters, their brothers and sisters, comply with the regulations at the time the registration was taken; they have seen them comply with the medical notices, and there have been instances when those who have chosen not to comply have been proceeded against, but I know of no instance in which action has been taken against a Doukhobor when he neglected to pay attention to the medical notice.

I am not going to weary the committee with a long, historical dissertation on this curious sect, but in a very few phrases I would remind the committee of one or two facts. This was a highly religious sect which followed agricultural pursuits in southwestern Russia. Because they conscientiously objected to military service they were accorded such treatment in their own country as to amount in their opinion to persecution. At the end of last century Canada required to expand her agricultural population and also needed labour to assist in her development. Therefore in 1898 she entered into arrangements, under an order in council, to bring some thousands of these people to Canada. There was just one proviso: that here they should be immune from military service. I do not join with those who, with wisdom after the event, say this experiment should not have been tried. It appears to me that with the facts before the Canadian government of that day it was not unreasonable to suppose that if these hardworking people should be offered liberty in a new country, there was a reasonable prospect that they would become citizens worthy of Canada.

Unfortunately they have not. They came to Canada and went to the northwest provinces, settling in that part which subsequently became the province of Saskatchewan. Very soon trouble cropped up. They were obstinate; they did not care for our laws and regulations; they desired to go their own way; and they did so to such an extent, with their nude parades and their indecent behaviour, that the council of the northwest provinces at last decided that it should be intimated to them that they must subscribe to our laws or get out. They had come with money; they had provided themselves with land and equipment; some of them were on the road to prosperity in farming. The consequence was that the majority decided that probably it would be better to give at least apparent allegiance to our laws, but a smaller number decided that they would not do so and started to trek. Unfortunately that trek ended in southern British Columbia. The provincial government of the day also was rather taken with the notion that all these people needed was kindness, that in time their difficulties would be overcome and that they would settle down and be amenable. Unfortunately for the second time a Canadian government was wrong; for trouble cropped up; schools were burned; they harnessed their naked women to their ploughs and did all sorts of things which were not in accordance with our way of life. They have given trouble off and on ever since. In the eighteen years that I have been a member of this house I have made one or two trips annually into the Grand Forks country in my constituency, where the Doukhobors are settled. I have endeavoured to keep in close touch with those public men and official people who are able to give me authentic information with regard to these troublesome folk, and I have made use of that information in Ottawa in discussing the matter with officials here.

It should be borne in mind that the first leader of this sect, Peter Veregin, who came with them from Russia, died as the result of a bomb explosion in the day coach of the train in which he was travelling. There is no evidence, and there never will be evidence, as to who put that bomb under Peter Veregin's seat; but in the minds of the people of that neighbourhood there is not the shadow of a doubt that it was an unruly, recalcitrant member of his own band who did so. After a year or two he was followed as leader by his son, Peter Veregin the second, and despite the man's dreadful character—intemperate, bestial, a bully, a perjurer—in spite of that, these people maintained a fanatical worship of him because they believed him to be the direct descendant of God Almighty. He died a year or two ago, and he has been followed as leader by a grandson of the original Peter of whom I know little and to whom I shall not refer, other than to say that he is a young man and as yet we do not know what sway he may have over his people.

I come, then, to the present state of affairs; I am not going to tell the committee many of the incidents which have occurred throughout the years. I will admit that these people have not been as unruly in recent years as they were previously, but still they will not obey regulations, law and order. Here we are in time of war. It is our purpose to endeavour to harness all the labour of this country in order to do our utmost in the war effort.

The minister made only passing reference to this subject in his speech; these are his words as reported at page 2937 of *Hansard:*

As of May 25 last mobilization boards had postponed 4,747 men as Mennonites, Doukhobors or conscientious objectors.

Then he proceeded to describe the steps the government has taken in the treatment of conscientious objectors. What I want to ask the minister is why he treats Doukhobors differently from conscientious objectors? He described how conscientious objectors have been put into certain camps, and have been used in that way. He points out that many of them have given their labour willingly and that good results have followed. The Doukhobors certainly object conscientiously to military service, but they should not be allowed to go scot-free simply for that reason. As a matter of fact, governments in Canada have taken a generous and lenient view of the clause in the 1898 order in council, because it does not strictly and in so many words apply that proviso to the descendants of those who originally came. Still they do conscientiously object—or at least they use that conscientious objection as a fence. It appears to me, and it most certainly appears to those I represent, that there should be equality of treatment as between their sons and young Doukhobors.

I would draw your attention, Mr. Chairman, to a paragraph in a letter from a prominent business man of Grand Forks written to me last February. He writes:

It is a disgrace and an insult to our soldier men and women that something is not done with the younger generation of these people. With the crying need for labour in our forests, mines and war industries, and the existing fuel shortages, in every town and city in the country, to see these strapping young men by the hundreds loafing around, doing absolutely nothing, is enough to cause any red-blooded Canadian to wonder whether our government had any guts left at all. There is not a day in the week this winter that at least twenty-five to fifty of these young men of military age cannot be picked up in the streets of this small town of Grand Forks, and still the timeworn policy of "hands off the Doukhobors" still goes on.

Through the course of the years I have been of the opinion that time would solve this difficulty. That time might be a very long period, but judging from what had passed I was inclined to think I did see some improvement. When I was in the district last year, however, and once more had an opportunity of meeting the principal people, and discussing the Doukhobor question, I was shocked to find that these people now say that it is the young people, the young Doukhobors—those who have been through the schools—who now are inclined to say, "Oh, you do not need to take any notice of that legislation. The government does not dare to do anything to us. We can go our own way." That is a sorry reflection on this problem. And it must be grasped more firmly than it has been grasped yet, if we are to do justice to our own Canadian people.

Upon returning from my visit last year I wrote to the minister, reporting what I had found. In my letter I made the suggestion to him that he should send an official of his department, not as a royal commissioner or anything as important as that, but just one of his officials whose opinion would be of value to the minister, and that such official should be permitted to go here and there and see the Doukhobors at their work or at their farming, see those who on occasions employ them, see the leading people in the communities, and report to the minister so that he might have first-hand information. Some months later the minister was good enough to accede to that request, and asked the commissioner of the Royal Canadian Mounted Police to send in an officer. That police report is now before him, and I have a copy of it. I have gone through the report, and in my opinion it contains some very useful suggestions.

There is no doubt whatever that the Royal Canadian Mounted Police and the provincial police of British Columbia are well informed on this problem, and it is with their assistance that a solution may one day be found. For instance, it is suggested that in connection with the work of the selective service organization an office should be opened at Grand Forks. Hitherto the selective service office has been at Trail, which is a considerable number of miles away from this settlement of Doukhobors. They are more likely to ignore the notices they receive, unless they are able more easily to go to a local office. He also suggests that when the medical notices are sent out they should be sent in an entirely different form from that used in respect of those who are to be taken for military training. Then he suggests that in view of the fuel shortage, a condition which unfortunately is not getting any better as we go through the summer, there being a considerable quantity of mature timber in that neighbourhood it would be desirable to employ the Doukhobors in cutting fuelwood. This would be a means of reducing fire hazard, since these are mature trees. The cutting could be carried out under the guidance, and taking advantage of the experience of the provincial forestry officers. He suggests that if the opportunity to cut wood is offered to them, and they still refrain from

playing their part in the game, then the minister should decide that they be put under restraint in selective service camps, where they would have to work.

These Doukhobors have been used to a certain extent in local industry, in connection with picking fruit, hoeing vegetables, cutting lumber and working in the sawmills. But there again we are met with the difficulty of inequality of treatment. On many, many occasions Doukhobors who had not registered were employed. The person who did not register, and still accepted wages, and the employer who paid the wages are both subject to penalties. Those penalties have been exacted against others, but I am not aware of their having been exacted against Doukhobors. That is another instance of inequality in the effect of these regulations.

It appears to me that the minister should discuss the question of treating these people as conscientious objectors, which they certainly are. Then, while honouring our word to their predecessors that they shall not be used for military purposes, they should be drawn in to do what work they can, so that there may be equality of treatment for all Canadians, and so that these people may no longer hang around the beer parlours and pool halls, before the eyes of the parents of those Canadian lads who have to conform to the regulations.

Mr. MITCHELL: I appreciate the sentiments expressed by the hon. member with respect to these people who for many, many years have been the problem children of Canada. Like the hon. member, I sat in this house some years ago, at a time when he was on this side of the house, and I have a vivid recollection of two members, one a bachelor prime minister and the other a bachelor leader of the opposition, discussing the question of a parade of thousands of naked people on a back lawn on a sunny morning. I remember vividly the burst of humour that occurred in a house that was so dismal in those days of desperate depression. What the hon. member said about these people is absolutely true. They were invited here and were granted certain privileges. When he referred to the beer parlours and poolrooms some would think it is an indication that they are becoming civilized in a way they were not in the old country. Like my hon. friend I have seen quite a bit of the government of British peoples in various parts of the world. I think one reason for the success of our type of government is that we do not interfere too much with other people. We do not try to make Britishers out of Indians, and so on. Notwithstanding the criticism offered by people who sometimes have not seen or experienced the contributions that our people have made toward the development of what are sometimes called the subject races, I believe considerable good has been accomplished. What my hon. friend has said this evening is an indication that these people will eventually become assimilated within the bosom of the Canadian family.

Mr. REID: Not in our lifetime.

Mr. MITCHELL: That may be quite true, but let me say to my hon. friend that his life or my life is just a heartbeat in the life of the nation.

Mr. REID: The minister is very optimistic.

Mr. MITCHELL: When my good friend, the hon. member for New Westminster, is pushing up the daisies there may even be a Doukhobor mayor of New Westminster. A good many of these people are now engaged in what might be considered callings of national importance, namely, farming, logging and so on. I should like it laid to the credit of this department while I have been minister that we have got these people to cooperate more than they have in the past. We have not given up the will to do something with them, and I say that with due regard to the difficulties which have been experienced by every government since these people first came to Canada.

I remember that last year—I want to say this on another occasion—the Department of Labour received a great deal of criticism about the Japanese problem. I think in a large measure we have solved it for the time being. If my hon. friend will leave the Doukhobor problem with us for another six months, we shall see if we can get it on the rails and have these people play the same part that other conscientious objectors are playing at the moment in the life of this country.

Mr. STIRLING: I do not think the minister has touched upon the main question. I was endeavouring to put before him the inequality in treatment accorded this young Doukhobor as compared to that given a young Canadian.

Mr. BENCE: Mr. Chairman, I listened with a great deal of interest to the speech made yesterday by the Minister of Labour (Mr. Mitchell), and I have since read it. If, when he made the statement that "we have the best possible man-power policy that can be devised", he meant that it was the best policy that could be improvised in the last six months after things had been allowed to drift into

the position they were in, there may be some basis for the statement on the ground that it has yet to be proven. I must confess that listening to the minister I could not help thinking of the small boy who, while passing the graveyard, whistled in order to keep up his courage. The rather dogmatic assertions that were made by him were nothing more than pious hopes. It is self-evident that the policy which the government claims is the best that can be devised has only been conceived and put into effect in the last six months. That is proven by the fact that the minister asked my leader not to be too harsh on the organization, because it was a virgin one and could not be expected to iron out all the rough spots within that space of time. So far as I am concerned the old saying still stands: The proof of the pudding is in the eating. The first pudding was not very good, but I am hopeful that the second one will be better. However, I have not much hope, because most of the ingredients have been lost. It may be that this is the best plan that can be conceived now.

I should like to point out to the minister that this is the time of year when there is the least pressure as far as labour requirements are concerned. The minister quoted certain telegrams the other day with reference to the farm situation. Anyone who knows anything about farming, especially in western Canada, knows that this is the best season as far as labour is concerned. We know also that there is not the same pressure at this time in regard to the coal situation as there will be later on. People do not require coal now, but they will require it next winter. The proof of whether the policy of the government is the best that can be devised will be forthcoming at that time when a great amount of labour will be required on our western farms and coal will be required from our mines. Coal will be required to heat our homes and factories, and to run our railways and industries. When that time comes; when the maximum amount of labour is required, we shall be in a position to judge how this policy is going to work out.

The responsibility is upon the administration to see to it that the people of this country have things like coal. If there is not sufficient coal available, many phases of our war effort will bog down. We must have coal to heat our houses and as fuel for our factories. We must have it for our transportation systems. If the scheme which has been worked out does not solve that one problem, there will be many difficulties with which we shall be confronted. I am quite prepared to admit that all the responsibility does not rest upon the shoulders of the Minister of Labour. He has been minister for slightly less than a year and a half. Since the beginning of the war the responsibilities of this department have been divided with another Minister of Labour. My belief is that this is a governmental responsibility. The working out of a policy to bring about a state of affairs which will be effective as far as labour for the war effort is concerned rests squarely upon the shoulders of the government.

It seems to me that a comprehensive plan should have been worked out months ago rather than to continue on the basis that was announced by the minister and by his deputy, Mr. MacNamara, as late as last fall. They said they would continue on a voluntary basis until that system broke down, and then compulsion would be resorted to wherever necessary. It seems to me that the administration should have shown some imagination in that regard and realized that we would come to the position we are now in where compulsion must be resorted to. The fact that there is and has been for some time a difficult man-power problem; the fact that there has not been any comprehensive policy available to the people of this country, is evident from the statements and assertions of many responsible organizations and public men throughout this country. I need only refer to a few of them, but they have been filling the newspapers for many months past. For example, the great wheat pool organization of western Canada sent a resolution to the administration last winter urging a new man-power scheme. One of the great voices of western agriculture, the *Western Producer,* as late as December 17 last, after the man-power problem for farmers was temporarily over, had this to say:

> On the opposite page we publish material issued by the Canadian Federation of Agriculture which we commend to the attention of all farmers and farmer organizations. The material shows conclusively the chaotic condition into which the question of adequate farm labour has been permitted to degenerate by the absence of a coherent enforced plan to guide the relevant authorities in maintaining agriculture as a vital part of war industry and to facilitate the production of the foodstuffs which are imperatively necessary in the war effort.

The United Farmers of Alberta, in the latter part of November of last year, had this to say as reported in the *Star-Phoenix* of November 25:

> "If the efficiency of Canadian farmers is regarded as desirable, there has been a serious bungling in man-power policy," the executive of the United Farmers of Alberta has informed Agricultural Minister J. G. Gardiner, in a statement sent to Ottawa.

I quote further from the same statement, and this is in answer to a reference made by the minister yesterday to the farm situation in western Canada and his statement that he had no control over the weather:

Many farmers have reported at this office they could have been completely threshed at this time or sooner had there been available sufficient men skilled in handling harvesting machinery.

One of the outstanding agricultural experts of Saskatchewan, Professor E. A. Hardy of the university of Saskatchewan, on January 18 of this year said:

The major problem of the Saskatchewan farmer is not one of power or of machinery, but one of skilled farm labour, capable of operating power machinery.

Mr. Grant Dexter, writing in the *Star-Phoenix* of December 23 and referring to the coal situation—this was just after the appointment of the emergency coal production board—made this statement:

Uncontrolled competition for man-power between the army and essential war production has become evidenced in the appointment of this board whose task it is to avert a coal famine in 1943.

I should like to refer to the statement made by the minister as reported by the Canadian Press on November 7, 1942. I quote:

Mitchell said the way the British labour ministry's man-power activities are coordinated with production functions of supply departments on both national and regional levels impressed him deeply.

"We have been groping for procedure of the same kind and I hope I have found the key to it" said the minister.

He said that if he was able to judge what he had seen of production in visits to factories since he has been here the tempo in British plants is faster than in Canadian factories. And he added: "I shall have some wholesome things to say to Canadian employers and workmen on my return."

My leader this afternoon referred to a series of articles which was published in the western press of this country last November and December. These articles were written by Mr. Grant Dexter, who, to say the least, has been favourably inclined toward this government for a number of years and certainly has never been anything but critical of the party to which I have the honour to belong. I do not refer to these articles for the same purpose for which some of them were referred to this afternoon by the leader of the opposition. I do so for the purpose of discussing what I would call the Elliott Little case. I must confess that this matter has been on my mind for many months. From what I have been able to ascertain from a reading of the press and discussing the matter with people, some of whom purport to be in a position to know or have been able to find out, it does seem to me that this man Elliott Little was given a very unfair deal by the administration.

May I say, first of all, that I do not know Mr. Little. But I do know this, that he was held in the very highest regard by the agricultural organizations of this country. I know that at the time of his resignation statements were made by the two largest labour organizations in this country, the trades and labour congress and the Canadian congress of labour, attesting to this. I want to refer to a Canadian Press dispatch of November 18, 1942. The first statement is by Percy R. Bengough, vice-president of the trades and labour congress. He stated:

As far as Mr. Little is concerned we believe he is honest and capable. As far as the Minister of Labour is concerned we have resented his dictatorial and uncompromising attitude. Generally, labour from coast to coast does not like him.

Here is the statement of Mr. A. R. Mosher, president of the Canadian congress of labour:

The Canadian-congress of labour is very deeply disturbed by the rumour that Elliott Little, director of national selective service, has resigned from that office as a result of a controversy with the Hon. Humphrey Mitchell, Minister of Labour.

It is a matter of public knowledge that the man-power programme has bogged down, but this, in the opinion of the press, is due primarily to the lack of an adequate government policy with regard to the whole war effort.

The responsibility for the present situation rests upon the cabinet, and especially upon the Minister of Labour. Mr. Little has been handicapped from the start by the failure of the government to make up its mind about man-power, and to give him authority to carry out a definite policy.

It is just about eleven months ago that I met one of the leading labour men of my city. He had just returned from a meeting of labour men in Winnipeg which had been addressed by Mr. Elliott Little. I was very pleased that Mr. Little was in charge of this matter then, and I must confess that I was pleased to hear the praise showered on Mr. Little by this labour man for the aggressive attitude he, Mr. Little, had taken and for the impression he had given to that labour meeting in the city of Winnipeg.

In my opinion, and so far as I can ascertain, Mr. Little did not quit the ship, as was stated by the minister a few days ago. He was pushed off. He had been given a job, but had been given no authority to carry it out. In his own words the trouble was:

The paralysis which has overtaken selective service was, of course, a progresive development over several months and the minister was aware of outstanding difficulties before he left for

England. During his absence I prepared proposals which I had hoped would serve as a basis for a constructive solution upon his return.

His attitude then, when I pressed for serious consideration of these proposals, was such that I obviously could not expect that support from him which is necessary if this or any other plan of national selective service is to function properly. I had no alternative but to submit my immediate resignation.

I have referred to the series of articles written by Mr. Grant Dexter. Mr. Dexter has a reputation for being an intelligent and hard working editorial writer. He is known for his diligence in ascertaining the facts, and the statements he makes in this series of articles completely exonerate Mr. Elliott Little. For example, on November 9 last he said:

When selective service was announced last March great things were expected of it. As described by Mr. King in parliament, its responsibilities were great. But few noted at the time that its powers were strictly limited. Mr. Little and others associated with him in administering selective service took the assignment in earnest, went about the country making speeches about what was going to happen. Figuratively they were like the farmer who thinks he has much land to work, but tunes up the tractors and the gang ploughs only to discover that all he really needs is a hand trowel to cultivate a window box.

To this day, seven months after the announcement, selective service is impotent, on its own, to hire a stenographer or to pay a bill. It has no power to take men from unimportant jobs and put them to work on essential ones. It can deal with people who come to its labour offices looking for work, but no more. Great sections of the population, and therefore of manpower, are totally withdrawn from its field of action—agriculture, for example. And the areas so blocked off are increasing, not decreasing; as witness the freezing, even if only temporarily, of half a dozen basic industries a few days ago.

Most people seem to have been thinking of selective service as the agency which would coordinate the war effort. There is, however, no warrant for such a view. This may happen: the crisis may have this result.

And on November 11 in another article he wrote as follows:

Most people think of national selective service as the organization whose task it is to give to every Canadian the job he can do best in this war. Indeed these are the words used by Elliott Little, the director, in a national broadcast on April 8, 1942, some two weeks after he was appointed.

The record, however, proves this is a mistaken idea. The confusion which now exists is only in a minor way attributable to Mr. Little and his associates. It is the result of government policy which, it would seem, has swerved sharply since March 24. In consequence, the position with respect to the mobilization of man-power has become increasingly complex. Right now it is a task shared by several agencies of government.

In retrospect, the action to mobilize manpower seems to have been halting and unsure.

[Mr. Bence.]

The explanation in part is to be found in circumstances for which Mr. Little is not responsible. His contribution to present confusion has been due only to an apparent miscalculation of the powers and responsibilities of selective service.

An article to a similar effect is set forth in the *Star-Phœnix* of November 30, after the resignation of Mr. Little. It is practically a repetition of one of the previous articles. I will read just the latter part:

Thus selective service, after six months of confusion, vacates the field so far as coordination of man-power is concerned. The four major contestants—army, munitions and supply, agriculture and essential civilian services—remain in the battle. Each of them is represented in cabinet by a different minister.

Coordination of man-power, therefore, remains just where it was last March before Mr. Little was appointed—a problem for the government. The moral of the Little episode is that no one man can do this job. Only the government can coordinate its competing departments.

And then it goes on, referring to the order in council which I have cited, and of which I may have something to say in a minute:

On examination the charge against Mr. Little of presenting his minister with a 70-page proposition and expecting an early answer does not stand up. The 70 pages comprise, largely, a consolidation of regulations and orders already in effect. Over 60 pages of the total are merely a re-hash of orders already approved by the government. The new material can be read in not more than 15 minutes.

Now, Mr. Chairman, I have something to say in connection with this order in council, because I believe that the manner in which it was presented to the people of this country constitutes one of the most unfair things I have ever known. For example, let me point this out. This order, this draft order in council, was, at the expense of the Canadian people to the tune of $558.40, printed so that it could be sent out for the purpose of showing that Elliott Little was nothing but a dictator—9,500 copies in English and 3,500 copies in French; and particular attention—and this is the point to which I take the greatest exception—was drawn to a certain section of the draft order in council. To the ordinary person who has not studied law it sounds pretty terrible, but may I say that I do not believe Mr. Little had anything to do with the drafting of this section, and I will explain why in a minute.

Section 21, page 32 of that draft order in council, is as follows:

No person shall, in the course of an investigation under this section, insult the director or wilfully interrupt any proceeding before the director, or refuse to obey any order made by the director in the course of an investigation; and if a person does any such thing the director may, without affecting such person's liability for

contravening regulations, direct any peace officer to take him into custody and remove him from the precincts and presence of the director to be detained in custody until the conclusion of the day's sitting.

Mr. MARTIN: What section is that?

Mr. BENCE: Section 21, page 32. That section was spread all across this country in black type for the purpose of showing what kind of man Elliott Little was, and there was great chortling and glee in many sections of the Liberal party in my particular part of the country because they could pick this out and say, "What kind of man is this who does not want to be insulted and puts in a draft order in council to this effect?" This draft order in council was drawn up by members of the Department of Labour and the Department of Justice. That particular section as a matter of fact is practically the same as a section in the Combines Investigation Act of this country, which was, I understand, drawn up and was certainly passed under the supervision of the present Prime Minister of Canada. Section 33 of the Combines Investigation Act, chapter 26, revised statutes of Canada, 1927, is as follows:

If in any proceedings before the Registrar or any commissioner any person wilfully insults the Registrar or any commissioner, or wilfully interrupts the proceedings, or is guilty in any other manner of any wilful contempt in the face of the Registrar or commissioner, the Registrar or commissioner may direct any constable to take the person offending into custody and remove him from the precincts and presence of the Registrar or commissioner, to be detained in custody until the conclusion of that day's sitting.

It is practically identically the same thing that was set out in this draft order in council and which was impressed on the Canadian people as an example of what a dictator this man was; yet it is a section which has been on the statute books of this country for at least the last twenty years. That was taking a very unfair advantage of Mr. Little, and it seems to me that, if the Minister of Labour had been as fair as he states he wishes to be, he would have drawn that fact to the attention of the Canadian people.

To my mind the confusion which has been demonstrated to the people of this country by the actions of the administration in its manpower policy is proven by the fact that, during the course of the last two years, they have had not only two ministers of labour, but two ministers of national war services, and now they have called for a parliamentary assistant —to whom I wish the very best of luck, because I believe that he will need it.

I wish now to refer, before I complete my remarks, to one particular thing in connection with my own constituency. I refer to the flour mills situation, which is very grave, and which I believe, unless it is solved, will affect many sections of Canada's war effort and will put the people of this country in grave peril.

We have in western Canada many large flour mills, and I receive, not complaints, because these are not the kind of people who complain, but numerous suggestions from them that some special consideration should be given to the men who work in the flour mills. There is a great deal of heavy work to be done there; yet it would appear that there is no special priority so far as they are concerned; at least it is certainly not as high a priority as obtains in other cases. The matter of the manufacture of flour is very important in this country, and I submit to the minister and to the officials who are in charge of the administration of these priorities that they should see to it that the necessary heavy labour, a good deal of which is required in connection with flour mills, is available. I wish to quote from a copy of a letter which was sent to the hon. member for Moose Jaw (Mr. Ross) from one of the mills in that city, and a copy of which was sent to me by the manager of a Saskatoon firm. It states as follows:

. . . But those vital food processing industries, long established on the prairies are inexorably being forced to curtail their output or shut down altogether, because of the man-power shortage. Such a condition, at this most crucial period in our national effort, is not only intolerable, but must appear incredible. Nevertheless, it is absolutely true.

We are under present regulations, unable to help ourselves. Our rating is apparently not high enough to warrant first choice of any available labour. That, seemingly is reserved for repair depots, coal mines, or oil refineries. We consider our food industries vitally essential. We will be here long after the war is won—if we survive.

I submit that the case is an imperative one and should receive immediate consideration.

An hon. MEMBER: Will the hon. member tell us who wrote that?

Mr. BENCE: Gladly. It was written by Robin Hood flour mills of Moose Jaw, of which Mr. Larkins is manager.

Mr. FAUTEUX: As the representative of an important constituency in Montreal, and representing labour, I should like to say a few words, but first I would ask the committee to be indulgent with me because I intend to speak in English and unfortunately I am not thoroughly familiar with the language. My first word will be one of congratulation to the Minister of Labour (Mr. Mitchell) upon the wonderful speech he made in the house. He has given us an

interesting statement of the affairs of his department, and not only to the house but to the country as well, which was very anxious to get his explanation.

At the beginning of the session there were labour troubles throughout the country and in many places people were asking for the head of the Minister of Labour. I well remember, as all hon. members no doubt do, the speech which the Prime Minister made in this house when, referring to the Minister of Labour, he said that at the time when it was decided to have a labour man in the cabinet the first thing he did was to ask Mr. Tom Moore to join the government in that capacity. Unfortunately, for some reason or another, Mr. Tom Moore refused, but he did suggest to the Prime Minister that the best man he could choose in the country was the hon. gentleman who now occupies the position of Minister of Labour.

If I rise to-night to pay my tribute to the Minister of Labour, it is because, not only in my own province and in my own constituency, but throughout Canada, those who think likewise are in very good company, since they are in the company of Mr. Tom Moore.

We have heard many criticisms of the minister since the beginning of the session, and of course we need to have criticism. It is the role of the opposition; it is the role of all parties who do not support the government, to criticize, and I do not blame them. The first criticism we have heard is that the Minister of Labour did not succeed in allotting to every department of our economic life sufficient man-power, and in some other quarters other critics have said that as a labour man he did not treat the labour men as he should have done. It is interesting to study the part which the Progressive Conservative party has played in the criticism of the Minister of Labour, and the part which our friends of the Cooperative Commonwealth Federation have taken. The Conservative party have taken the position of the patriot who wants to do more than anybody else to win the war and who thinks that we have not done enough, that we are not making an all-out war effort. The Cooperative Commonwealth Federation has assumed the role of the protector of the labouring classes.

I do not wish to impute motives to those hon. members. They have tried, I suppose, to do their best for their country. I realize, however, as a man who has been in politics for many years, what it would be like if there were an election. The Conservatives would go before the people and say, "The Liberal party has not done its utmost to win the war; it has not made an all-out war effort because it has not had conscription." And the Cooperative Commonwealth Federation would say to the people, "We are the only ones who have looked after you employees during the four years that the government has been in power."

Hon. members may recall what was said last session—and I do not like to speak about the past; I do not like to speak about measures that have been already discussed at considerable length, measures, moreover, that might create division between provinces. I think hon. members will give me credit for having done my utmost in this house to promote national unity, and perhaps they will allow me to say that, even though I am a young man, I have a son who is only eighteen years of age and who is now in the maritime provinces awaiting embarkation. In a few weeks' time he will be at sea going to defend his country, and I am proud of him.

What did we say during the last session on the question of conscription? If I refer to this subject it is because it was introduced by the member for Lake Centre (Mr. Diefenbaker). I remember when I spoke against conscription at the last session I said to this house that I was opposed to conscription for overseas but not for service in this country, and I did so because, like many other Canadians, I believed that we should retain as many Canadians as possible in Canada to work in order to comply with Mr. Churchill's request, "Give us the tools and we will finish the job." I was sincere; we were sincere, but during that time we heard our hon. friends opposite, the Conservative party, trying to impose upon the Prime Minister and the government of this country an all-out, total war effort, which to them meant conscription. We imposed conscription for Canada; we amended the law in order to permit the government to send men overseas or anywhere by order in council, if the men were needed. I believe, knowing the Conservatives of the province of Quebec—I will not say throughout the country—that they were sorry our Prime Minister did not impose conscription for overseas; not to save our country, not to save the allies, but to save their own party. I was greatly interested in the remarks of the hon. member for Lake Centre when he spoke of Mr. MacNamara, as reported at page 3956 of *Hansard* of yesterday as follows:

> My hon. friends on the government side never admit that they have brought in conscription; they do not admit that the present system is a means by which men are forced to volunteer in the armed forces for overseas service, but when the deputy minister of labour was speaking at this meeting he endeavoured to explain to those who were present why it was that Canada did not have selective service by which men would serve all over the world just as they have in the United States.

Then he further quoted what Mr. MacNamara had said and followed it with these words; and I ask you, Mr. Chairman, and my hon. friends from the province of Quebec to listen to this statement, to show the sincerity of those in my province who were asking for conscription:

> At last we have from the mouth of an official of the Department of Labour definite proof of what we have been endeavouring to place before the house on more than one occasion, that Canada has conscription.

That is what the Conservative party were interested in saving. I said in the beginning that I did not want to impute motives to the hon. member, but I really believe that the Conservative party in my own province were interested in having conscription, not to help Canada's cause, not to help the allied cause, but to help their party. What were we asking for last year? We did everything possible to impress upon the government that we wanted selective service in order that every Canadian should serve where he was best fitted to serve. We hear complaints now that we have not enough man-power on the farms. How many members on this side of the house have been asking the government to free farmers' sons, not from their duty, not because they were cowards and did not want to serve at the front, but because we thought at the time—and I believe we were right—that we needed those young men to serve on the home front, to serve on the farms not only of Quebec but of the whole country? I believe the best proof that we were right is to be found in the fact that this session we do not hear, as we heard last session, hon. members opposite asking the government to send all the young men possible overseas. This year they are complaining that we have not enough men in this country to serve in our war plants and on our farms.

An hon. MEMBER: Do you think we have?

Mr. FAUTEUX: Just a moment, my hon. friend. My congratulations go to the man who is at the head of the country, who has been chosen as Prime Minister of this country and has served in that office for many years. He was not only chosen by Liberals, but he was chosen by all Canada. When he was accused of playing politics; when he was accused of serving his party, he was really sacrificing himself and his party to serve his country.

I said a few moments ago, Mr. Chairman, that other criticisms came from the Co-operative Commonwealth Federation party. They would have the working people of Canada believe that they are the only men who will protect them. If I remember correctly, the present labour minister was not chosen because he was a Liberal; if I am not mistaken, only a few years ago he occupied a seat in the opposition side of this house when the Liberals were in power. He was chosen as labour minister because he was a labour man, because he was an able man and because he was recommended by Mr. Tom Moore, who, I believe, has the respect of all the labour people of Canada. I listened to the speech of one of our good friends of the Cooperative Commonwealth Federation party who specializes in labour problems. Everyone knows that he specializes so much that he spends a good deal of his time in travelling around Canada to meet and address labour people, which he has a right to do, I will admit. To my surprise, however, very often within a few weeks after he has left the labour people whom he addressed, labour trouble or strike followed in some instances. Let us read now what he said in his speech, as reported at page 3973 of *Hansard*:

> I do not care what tag they give me—C.I.O., A.F. of L. or Canadian Congress of Labour.

Then, Mr. Chairman, I draw your attention to this. I quote:

> John L. Lewis has taken us around by the ears so much that I do not know where we stand on these things.

Well, as a professional man, representing labour in the house and, I may say, representing one of the largest constituencies in Canada, I have done everything possible in the past to help labour, not only here, but in the legislative assembly of Quebec. May I add incidentally that I served free of charge as chairman of a board of conciliation which attempted to try to do something for labour.

But those of us who are not simply serving a party, but who wish to serve our country by serving labour will never say that we have been taken by the ears by John L. Lewis so often that we do not know where we stand. We believe in one thing—it is not the direction of John L. Lewis, or anybody else, especially if they come from outside the country—that will orient our conduct in Canada. Let me say to hon. members what I have said on many occasions to my many friends in the United States—and I have no hesitation in making this statement, and take full responsibility for it: I state, not as a member of parliament in Canada, but as a Canadian, that if we had John L. Lewis in Canada he would have been in a concentration camp a long time ago.

Canadians in general have much sympathy for labour. The people know, as I know, that

labour has not received all that to which it is entitled. I know perfectly well that employers —not all, but certainly some of them—do not do what they should for their employees. So far as I am concerned, I am not interested in the racketeering alleged to take place in labour organizations. I believe it is time to protect labour first and, I will repeat what my hon. friend said, when speaking about order in council 2865—and I believe he was right—"that in very clear language the order in council gave the workers the right to organize."

I have had an opportunity of serving labour organizations, and of realizing how generous are the orders in council for the benefit of working men, but I realize, though, that there are no teeth in those orders in council, neither is there always a sanction. We have very generous labour laws, and we recognize the right of labour to organize. The law even punishes employers who do anything detrimental to the right of employees to organize. Provisions have been set up to appoint conciliation boards. But, I repeat, there are no teeth in these regulations; there is no sanction, and we cannot punish employers or employees if they do not follow the advice of the labour board.

May I make a suggestion to help the working man and the employer, so that we may have peace and order in our country? Is it not time that we oblige our labour unions to incorporate, in order that they may be responsible organizations? What do our labour organizations ask for? They ask for compulsory bargaining powers. And what is the meaning of that? Well, we ask employers and employees to sit at the same table, to discuss their problems, and come to an agreement. For instance, they may decide that they will take a vote in the plant to choose which labour organization will be the bargaining agent. After the bargaining agent is chosen, a man or a group of men will make a contract with the employer. Such contract would be made effective for one or two years. But what happens? Well, three or four months after the contract is made, another labour organization —the C.I.O., the A.F. of L. or some such group —enter the plant and try to organize. They say, "We are the majority. This contract is no good. We will have to be chosen to replace the former collective bargaining agent, and another contract will have to be drawn up." After all, a contract is a contract. We are fighting this war because we believe in the sanctity of contracts. What happens among individuals when a party fails to keep a contract? The party is prosecuted in the courts. An employer can be prosecuted because he is a responsible party, but labour unions, not being incorporated, are not responsible and cannot be prosecuted. In saying that, I am thinking of my friends, the labour class, not only of my constituency, but of Montreal and elsewhere in Canada. They are honest people, and they believe in the sanctity of contracts. I believe the time has arrived when the labour unions should be made to incorporate themselves in order that they may be responsible for any trouble that may occur through a strike.

I have great respect for union organizations, but not so much for certain organizers. If labour unions were held responsible, I wonder if some of these organizers would call strikes so quickly when they knew that there might not be enough money in the bank to pay their salaries? If we do not want to have occur here what is happening elsewhere; if we want to protect the labour organizations and employees—I insist upon this—if we want to respect the rights of the employers and of honest capital; if we want to keep order in this country the Minister of Labour should ask the cabinet to put more teeth by sanction in the legislation already enacted.

Mr. GILLIS: Mr. Chairman, I rise to a question of privilege. I have been misrepresented by the hon. member for St. Mary (Mr. Fauteux) who has just taken his seat. If the remarks which I made last night and which he has attempted to discuss this evening went over his head, that is not my responsibility. If he had read my statement as set out in *Hansard* when I was discussing jurisdictional disputes, he would not have placed upon it the construction he has to-night. I was attempting to point out to the Minister of Labour that it was immaterial to me what tag was hung on any particular union, be it C.I.O., A.F. of L. or Canadian Congress of Labour. I stated, as set out in *Hansard,* that the rank and file of the labour men across this country who are attempting to organize are all fighting for the same principle, the right to a means of livelihood. I made certain remarks about my international president for whom I have a lot of respect, and who is respected by everyone on the north American continent who has had any connection with labour in the last thirty years. I merely tried to amplify my position in connection with affiliation and to show my complete disregard for it. I was not particular about what centre my international president is affiliated with in the near future. I have been in the A.F. of L.; I have been in the C.I.O., and I am now a member of the Canadian Congress of Labour.

Mr. FAUTEUX: I rise to a point of order. The hon. member has said that he has been misrepresented, but I quoted what was in *Hansard*.

Mr. GILLIS: The hon. member read what suited him. He pulled a couple of sentences out of the context to make it appear as though it read exactly what he was talking about.

Mr. FAUTEUX: I read what is contained in *Hansard*.

Mr. GILLIS: If anyone compares the lot of the workers who are led by John L. Lewis in the United States with the wages and conditions of the workers in Quebec, I think he will agree that it would be well for that province if they had a couple of John L. Lewises in the field of labour. To the best of my knowledge the only crime he has ever committed is to fight for the workers whom he represents and who pay him his wages.

Mr. FAUTEUX: He is even blamed by Russia.

Mr. COLDWELL: That is rubbish.

Mr. GILLIS: He fights for the members who have elected him.

Mr. FAUTEUX: To lose the war.

Mr. GILLIS: He takes his instructions from the international convention. Wage agreements are drafted by the policy committee which is set up by the rank and file of the union. He has no alternative but to follow the instructions of the international convention unless he is released by that body.

An hon. MEMBER: He is no leader at all.

Mr. GILLIS: He is a democrat. He takes his instructions from the people. The policy is drafted by the convention.

Mr. COLDWELL: That is democracy.

Mr. GILLIS: If the hon. member for St. Mary is trying to create the impression that anyone in this country is pulling me around by the nose or by the ears, he is making a mistake. I was merely amplifying my complete disregard for any of these tags. Every section of labour in Canada is fighting for the same principle as I am fighting for. The quicker we get away from all this busines of C.I.O., A.F. of L., Canadian Congress of Labour, Catholic syndicate and what have you, the quicker the problems faced by the Minister of Labour will be solved.

The hon. member stated that I travel a lot around this country. That is quite true, and I intend to continue doing so. This is still a free country. He has stated that every time I appeared in Ontario, Quebec or somewhere else, immediately a strike took place. I want to say that that is absolutely wrong.

Mr. FAUTEUX: I did not say each time.

Mr. GILLIS: My hon. friend will find if he checks the record—

Mr. FAUTEUX: It happened very often.

Mr. GILLIS: —that I have never attended a meeting in any province of Canada unless I was invited to do so by the people who were sponsoring the meeting. There is not a man in this country who can say that I ever advised the workers to go out on strike.

Mr. COLDWELL: That is true, and we know it. The Minister of Labour knows it well.

Mr. GILLIS: Just the very reverse has been true and with very good reasons—a strike is an obsolete weapon.

Mr. MacNICOL: I do not think any labour leader wants a strike.

Mr. GILLIS: No, there is not one. I am sorry I have had to occupy this time, Mr. Chairman, but I have no intention in this house or out of it of allowing anyone to rise in his place and make a statement of the kind that was made about me to-night. I would advise the hon. member to get the German labour laws. I have them in my office and he can see them. The kind of organization he would set up is exactly the same kind of organization that Hitler has in Germany. That is exactly what my hon. friend is advocating.

Mr. COLDWELL: That is it exactly.

Mr. GILLIS: And if that is the kind of labour organization he wants, I will give him the labour laws of Germany.

Mr. JOHNSTON (Bow River): First, I want to join with the hon. member for Kenora-Rainy River (Mr. McKinnon) in what he said about conditions in the civil service here in Ottawa, and more especially among the lower paid employees, those in grade 1. I think it is a crime to have the civil servants of this country paid wages by the government of Canada that are not sufficient to maintain a decent standard of living. As was pointed out by the hon. member, only twenty-five civil service girls in grade 1 have been able to take advantage of the accommodation afforded by the new hostel that is being built here because their salaries are not sufficient for them to avail themselves of that accommodation. Anyone who has lived in Ottawa

knows—I do not think there can be any argument about this at all—that one cannot live here on sixty, sixty-five or seventy dollars a month. As the hon. member for Kenora-Rainy River said, and I am in entire agreement with him, the dominion government at least should try to be a model employer and set an example in that respect.

I wish to say a word about the government's labour policy in general and then refer to a particular case or two. Working conditions in this country, generally speaking, are not good. I think we have had far too many strikes, perhaps not as many as other countries have had, but still we have had too many, and there has been too much disruption of work. I believe that every one of these strikes could have been averted if a proper investigation had been carried on beforehand and efforts had been made to iron out the difficulties.

Let us go back to the first of the war to show where the lack of planning came in. The Minister of Labour said, as reported at page 3940 of *Hansard*:

> Hon. members should keep uppermost in mind the magnitude of our navy, army and air force and the fact that our industrial output and food production is now the greatest in our history.

That is well to remember. But that is the very thing the government did not remember. That is just where they fell down. I am not blaming the present minister for that, because he was not in office when the war started. When the war first started, that was the time our labour conditions should have received attention and when planning for the future should have been done. Anyone who had to do with administration or with labour would know that to raise an army, navy and air force and satisfy the needs of war industry would take a tremendous amount of careful planning, and that if you simply took men and women from all sources of employment and put them into the army, navy and air force in the numbers in which they were taken in, and in the manner in which they were allowed to come in, there was bound to be disruption. There was no planning there. Whether these young men were enlisted voluntarily or whether it was conscription, I am not going to argue at the present time.

On the next page of *Hansard*, page 3941, the Minister of Labour is reported to have said:

> The commendable desire of our young men and women to volunteer for service in the navy, army and air force naturally led to shortages of labour for the jobs at home.

May I suggest to the minister that he has given the cause of the trouble right there in his own words when he said that these men and women were enlisting in all the different branches of the armed services and were allowed to go anywhere. No wonder there is now a great deal of difficulty in taking care of the needs of agriculture, of the coal mines, of war industry and of the armed services! We started out without any planning with respect to man-power. The minister went on to say:

> These shortages have been added to by the thousands of men called up for service in Canada under the National Resources Mobilization Act. In addition to the drain of man-power into the armed services, the movement of men and women into war plants creates difficult problems with which we are dealing every day.

I am not blaming the minister for making that statement, because it is true. But when he uses these words to try to give people the impression that everything is well and under control, he is missing the point entirely.

I want to speak of the situation in our coal fields. I think the coal shortage is going to be one of our major problems. I have spoken of this before, but I mention it again because I see great danger ahead of us. The coal situation has become so serious that the government has declared a state of national emergency in fuel. There is no danger at the present time of a shortage of coal for domestic consumption. This is not the time of the year for that. But there may easily be a crisis as regards the supply of industrial coal. The users of industrial coal may not be able to get their supplies even at this time of the year, and if mining conditions get any worse in the United States we in Canada will be faced with a very serious problem indeed. It is no use just sitting down and hoping that the United States will settle their labour troubles and that our coal requirements will be taken care of by importations from the United States. It is high time that we should begin to develop a coal policy for Canada, to produce at least sufficient coal to take care of our own needs. We have an abundance of coal on both sides of this country, and there is no reason why we should be dependent upon the United States for coal for either industrial or domestic use. The strike in the coal mines in the United States is causing a great deal of fear in Canada, because we are now dependent upon the United States for our coal supply.

The Minister of Labour said, as reported at page 3932 of *Hansard*:

> Last October we arranged to have coal miners receive special consideration for postponement of military service and instructed national selective service officers not to issue any permits for coal miners to seek any other employment. Then we arranged to have coal miners granted leave from the armed services in Canada if they were willing to return to the mines. Subsequently we established the emergency coal production board after full consultation with

the national selective service advisory board and the man-power advisory committee of the coal industry.

We have issued an order requiring all ex-coal miners to return to coal mining regardless of their present occupations and are guaranteeing them full employment.

That is a big undertaking, guaranteeing them full employment. I hope the minister can fulfil it.

He speaks of soldiers getting out of the army. If he is depending upon that, I warn him now that it will not work as smoothly as he supposes. Only this week a man from the armed forces came into my office. He is a miner; I know him personally, and I know the mine from which he came; it also is in the Drumheller area. He has tried, since the minister made his statement on this matter, to get released from the armed forces, and he told me, "You cannot get near your commanding officer."

Mr. MITCHELL: Perhaps the hon. member will give me the man's name privately.

Mr. JOHNSTON (Bow River): I went this far: I said, "When you return to your camp, ask to go before your commanding officer; if you cannot get to him this time let me know, and I will personally take it up with the minister." But here is the difficulty: very few of these cases are likely to come either to the attention of private members or to the attention of the minister. The man told me that as soon as he managed to get by the sergeant and went to the major, he was pushed back with the remark, "We need you here, and you are not going to get out." There are not very many men in the army who will be so persistent as to keep on trying to get out, because there are lots of ways of discouraging miners in the army from not pressing too hard to be released in order to return to the mines. Therefore I say that if the minister is expecting to get many miners from the armed services back into the mines in order to settle a national emergency, I fear he is due for a disappointment. If there is a national emergency such as the Prime Minister indicated, I am definitely of opinion that other measures will have to be taken either to get miners or to release those who are in the armed forces, because I see difficulties looming up at the present time.

I wish to bring one particular case to the minister's attention, and that is all I shall deal with this evening; anything else I have to say will be deferred until we are on the estimates under the different topics to which they refer. I believe a little more consideration should be given to the working man in regard to his employment. Not all these strikes which are occurring are the fault of the miners. I wish to refer specifically to the strike which took place at Drumheller when seventeen mines were affected and over 2,000 miners ceased work. It lasted, I believe, for about two weeks, and thousands of tons were not produced on account of it. It is true that the strike was settled, but the problem which was facing the miners is not settled. Certainly it was not settled by the board which was appointed to arbitrate the case. Judge Tweedie, I believe, was the chairman and was appointed by the dominion government. The difficulty in that case was a matter of principle, whether a mine operator could fire a miner at any time he wanted to, for almost any reason. It is true that the strike was settled, but only when another mine, the Red Deer Valley mine, hired the man who had been dismissed from the Star mine; that relieved the situation and these fellows went back to work. But I believe the same difficulty will arise again, and I wish to point out to the minister what I think was the very unfair attitude taken by the judge in rendering his decision with regard to this strike. The minister should take precautions that such a thing does not occur again. I happened to be in Drumheller at that time, and was talking to these fellows, some of whom I know personally, and they gave me some of the correspondence they had had. I should like to put it on record for the minister's information.

This is a copy of Mr. Justice T. M. Tweedie's ruling in the case of Mike Bokos, given by telegram. Bokos is the man who was fired and whose dismissal is supposed to have been the cause of the strike:

Re Bokos reemployment at Star mine. Bokos was a member of the local union of the United Mine Workers of America at Star mine and along with other members of the union went out on an illegal strike in violation of wage agreement then in force between district No. 18 United Mine Workers of America and various coal companies operating in Drumheller and Wayne districts Alberta as a result of which the Star mine was shut down for two weeks in February last. Bokos thereby ceased to be an employee of the Rosedale Collieries Ltd. Star mine. The company refused to reemploy him. The company was within its rights in doing so. I do not recommend his reemployment.

Statements of fact in Judge Tweedie's ruling are obviously wrong.

Mr. ROSS (Moose Jaw): In whose opinion?

Mr. JOHNSTON (Bow River): The men right there on the ground. In the first place this states that Bokos, a member of the local union, along with other members of the union

went out on an illegal strike. That man was not even employed by the mining company when the strike was called. He was on compensation from the provincial government. He had been hurt in an accident in the mine a little while before, and was still out on compensation. That is one statement which is definitely wrong and can be so proven from the records. The telegram states that "Bokos thereby ceased to be an employee of the Rosedale Collieries." The reason given is not at all how the dispute arose. It happened that something like two months before, there had been a little dispute regarding this man in the overloading of a car. But it was never drawn to his attention, and he was not fired on that account; in fact he was not fired at all. This is a matter of principle with the miners in Drumheller. It was not that they particularly cared about an individual as such, but the case involved the principle of whether a mine owner could just deliberately fire a fellow whenever he wanted to. That is what the union were fighting about, and of course that is what a union is for.

I want to put another document on record for the minister's information. This is from Rosedale Collieries Limited, Rosedale Mine, Rosedale Mine Post Office, Alberta, dated April 13, 1943, and it was sent to Mr. William Briggs, secretary, sub-districts 1 and 2, district 18, United Mine Workers of America, Drumheller:

I wish to acknowledge your letter of April 8 together with enclosure of a copy of a letter addressed to the Drumheller Coal Operators' Association. The purpose of these communications is apparently to threaten a strike unless one, Mike Bokos, is hired by the Rosedale collieries at the Star mine.

The employment of the above person was one of the disputes referred to Judge Tweedie as an independent chairman appointed by the dominion government. As Judge Tweedie has not as yet rendered his decisions on the matters in dispute, it would probably not be ethical that they be discussed. However, your letter implies drastic action to enforce the desire of some portion of your membership and credits Judge Tweedie with certain statements in regard to the employment of this man.

In order that your membership might have the benefit of some of Judge Tweedie's statements, I herewith relate a portion of the discussion at least.

It developed that Mike Bokos is a citizen of a country at war with Canada and our allies.

I want the committee to notice this:

The judge made the following comment:

"I have no sympathy with an alien who would earn his livelihood in this country for a period of some 13 years, during which a family was supported by sending money back from this country to the country of his citizenship. If this country is good enough for a man to earn his living in, it is good enough for him to become a citizen of, and to bring his family to where he intends to earn his living."

[Mr. C. E. Johnston.]

We are pleased to note that, in the last paragraph of your letter to me, peaceful solution of any controversy is desired as being beneficial to both parties and the country as a whole.

The reason for my writing this letter is that your delegates may have this information before them at the discussion which you state will take place April 14, and where a decision as to your future action will be taken.

The information was the previous paragraph which I have read and which was in quotations. Apparently one of the main reasons why the judge rendered the decision he did, and agreed that the mine should not rehire this man, was that the man was an alien. Whether he is an alien from a country with which we are at war, or whether he is not, does not, I submit, constitute a ground upon which to decide a strike. I think the minister will agree with me in that regard. It is not sound. I have no more sympathy than anybody else with the man who comes here and earns his living in this country and takes his earnings back, or sends them back, to the country from which he came, and I do not care whether it is a country with which we are at war or not. But that is a matter of immigration. In that connection, I would say that if any man comes here and after remaining in the country for five years does not take out his naturalization papers he should be deported. I would not give him ten or fifteen years; I would reduce the period to five years. Certainly, however, that is not a sufficiently good ground upon which to base a decision in a matter of this kind, and to declare that because this man is an alien we should agree that the mine is right and the strikers are wrong.

There was a considerable degree of hard feeling over this question, and the only thing that settled the strike was the fact that one of the other coal mining companies came to the rescue. This company gets along very well with its men and, so far as I know, there has never been any trouble in the Red Deer Valley mines. It seems to be one of the few companies that have the ability to cooperate with the miners in any sort of labour-management programme.

Mr. MacINNIS: Who wrote that letter?

Mr. JOHNSTON (Bow River): The letter was from Rosedale Collieries Limited, per J. F. Harvie. I believe that every one of these strikes could be solved if there were a proper relationship between labour and management.

Mr. MacNICOL: Can the hon. member tell us what the relationship is that is so satisfactory in that colliery?

Mr. JOHNSTON (Bow River): In the Red Deer Valley mine?

Mr. MacNICOL: How do they look after their men?

Mr. JOHNSTON (Bow River): I do not know the details. I do not know what sort of plan they work on, but I have bought coal from them—a good deal of it—and I know personally many of the men working there. I also know the management, and to my knowledge there has never been a serious dispute. But that is one of the very few mines about which that can be said. I do not believe there are any strikes that cannot be amicably settled if we go about it in the right way, but certainly the moment one of these men is fired in the Drumheller valley again under similar circumstances, there will be another strike, because the trouble has not been settled and they are certainly not in agreement with the decision rendered by the judge. And I do not blame them. I will be frank with the minister. When I read those letters I said to these fellows that in my opinion the reason given was not a basis upon which the judge could give the decision which he rendered. They were very much perturbed about it; they were anything but satisfied. I do not know whether we are supposed to criticize a judge or not, but I think that was a very poor decision to make. I suggest that the minister should pay a little more attention to these strikes. He is a labour man and has worked among labourers, and it would not be amiss in many cases if he went to the spot himself where he would be able to settle the matter. I have my doubts whether a judge is a man capable of rendering a decision in this type of dispute.

The CHAIRMAN: Order. I know the hon. member realizes that he may not attack the judiciary either in committee or in the house.

Mr. JOHNSTON (Bow River): Well, let me say that I have my doubts whether a man occupying such a position should be chairman of such a committee. I do not believe that such men are in a position to know the true relationship that exists between labour and management. Take a lawyer out of this house—

Mr. CASTLEDEN: Take them all out.

Mr. JOHNSTON (Bow River): —or take any lawyer in the city of Ottawa, whether you give him a judgeship or not, and I could name many of them around here—

Mr. MACKENZIE (Vancouver Centre): Order.

Mr. JOHNSTON (Bow River): I say, take any member here who happens to be a lawyer and send him to Drumheller to settle a dispute between labour and management, and he would not know anything about it. And definitely that was the situation here. So that, instead of appeasing these labourers; instead of settling the strike fairly, it was purely a one-sided affair. As I have pointed out, although the strike terminated it was not by reason of the decision handed down by the chairman but by reason of the good judgment of one of the operators in another company in hiring the man. As a result of actions such as I have described we have lost thousands of tons of coal at a time when the Prime Minister declares that there is a national emergency. If that is any way of solving our labour problems, then I am afraid we are heading straight for a real emergency, and when this winter comes it will be too late to start making plans to meet any national emergency. The government had better start now.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Friday, June 25, 1943

The house met at three o'clock.

SUGAR

REQUEST FOR FURTHER CONSIDERATION OF BASIS OF ALLOTMENT FOR CANNING

On the orders of the day:

Mr. NORMAN J. M. LOCKHART (Lincoln): I am sorry the Minister of Finance (Mr. Ilsley) is not in the house, but from an answer to a question tabled yesterday by the hon. member for St. Antoine-Westmount (Mr. Abbott), acting as parliamentary secretary to the Minister of Finance, it would appear that the division of Westmount was given certain preferences in the matter of the allotment of sugar for canning. I come from the district where much of the fruit is produced, and for days and weeks I have been seeking greater consideration for that district in regard to this matter of sugar. I was wondering if the minister or his assistant could give me any indication as to whether or not the areas in which the fruit is actually produced might receive more favourable consideration, rather than other areas at a distance from the point of production.

Mr. D. C. ABBOTT (Parliamentary Secretary to the Minister of Finance): I could give the explanation now, if it is desired, or it might be better when the estimates covering the wartime prices and trade board are under

consideration. The general position, as my hon. friend probably knows, is that it was decided that approximately one hundred million pounds of sugar should be made available for canning purposes this year, which was approximately the amount used last year for this purpose. The wartime prices and trade board called for applications from citizens for sugar for canning purposes, and the applications received totalled something over two hundred million pounds, or more than double the available amount. The board then decided to allot to the ration districts into which the country is divided, sugar to the extent of the one hundred million pounds, approximately, that was available; and, as was indicated in the answer given yesterday to which my hon. friend has referred, the allotment to the individual ration areas was on the basis of 11·34 pounds, speaking from memory, for each application received from the district.

In the district to which reference was made in the answer given yesterday a considerable number of applications had been received at the rate of less than ten pounds per person. The sugar was allotted to each ration district on the same basis, and the allocation of the sugar in each district was left to the local ration board. The local ration board, as my hon. friend knows, was made up of citizens from the area covered by the ration district. In respect of the ration district in which the city of Westmount is included, and which comprises not only the city of Westmount but the town of Montreal West, the village of Cote St. Luc and the town of Hampstead, the quota fixed was 11·34 pounds for each person who had filed an application for canning sugar in that area. The same allocation was made to other rationed areas.

The local ration board decided that they would allot to the applicants who had applied for less than ten pounds the amount which was actually applied for. In my own case, for instance, I learned from my wife that for our family of six she had applied for fifty pounds of canning sugar, which is slightly more than eight pounds per head. They allotted to each applicant requiring less than ten pounds the amount actually applied for, which enabled them, out of the quota they had received of 11·34 pounds per applicant, to allot to those who applied for more than ten pounds an additional amount. The maximum which they found they were able to allot in that particular area was thirteen pounds. Then, in addition, over a thousand applications were received late. Those were taken care of without getting any additional quota. That is the position with respect to that particular ration area. But I think the point my hon. friend had in mind was this, that the allotment to each ration area was on the same basis throughout the country. The basis of distribution was left to the local ration board.

Mr. LOCKHART: I do not wish to press the point, but the minute this appeared in the press this morning I received a long-distance call from the growers in my constituency pointing out that on account of the possibility that the fruit may ripen so quickly, and may be unfit to ship to Montreal or elsewhere, housewives in my constituency feel that if consideration can be given to people 400 miles away from the Niagara peninsula where the fruit is produced, then surely some consideration might be given to that very area in which it is produced. Consequently I ask the parliamentary assistant to bring the matter to the attention of the minister with a view to seeing that some consideration is given to these people, or consideration at least equal to that given to people 400 miles away from the base of supply.

SOCIAL SECURITY

PRESS REPORT WITH RESPECT TO NATIONAL INSURANCE LEGISLATION

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver East): Mr. Speaker, I should like to ask a question of the Minister of Pensions and National Health. A report in the press this morning states it is the intention that a national insurance measure will not be introduced at this session. As this matter has been discussed before the committee on social security for several months, and as great interest has been displayed in the subject, would the minister advise the house as to the correctness of this report?

Hon. IAN MACKENZIE (Minister of Pensions and National Health): I have not seen the report to which the hon. member has referred. The intention of the government cannot be decided upon until the committee on social security shall have made its report to the house. Of course the progress of that committee is a matter beyond my control. The introduction of any measure would certainly depend largely on the progress made in the committee referred to.

Mr. GRAYDON: There is the possibility, then, that legislation may be brought down this session?

Mr. MACKENZIE (Vancouver Centre): There is the possibility; that is to say, the recommendations made by the committee will be considered by the government when they are presented to this house.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Thursday, June 24, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

DEPARTMENT OF LABOUR

The CHAIRMAN: The committee is considering item No. 1.

Mr. COLDWELL: Mr. Chairman, there are one or two matters in connection with selective service which I should like to discuss. First of all, I noted with a good deal of interest the recent telegram from Hon. J. G. Taggart of Saskatchewan, in which he said:

> Clarification of mobilization regulations has greatly assisted agriculture. Postponements granted since February 1, major factor in seeding crops on farm affected. I believe present policy will result in labour being generally available for year round work, but severe shortage at harvest time possible.

I should like to point out to the minister that while in this comparatively slack season of the year there may be no labour problem worth mentioning in Saskatchewan, when harvest rolls round—and that may be earlier than many anticipate, despite the fact that the season at this time looks late—there will be another severe labour problem.

I should like to refer briefly to the situation which existed last August. In July and August of last year, just before the close of the session, I went west. While moving around my constituency I had literally dozens of complaints respecting notices being sent out to men to appear for medical examination. There were so many complaints that when I got to the centre of my constituency, namely Rosetown, I could not even begin to take notes of the cases of those who interviewed me. The result was that on the evening of August 21 I wired the Prime Minister. I shall not read the telegram, although I have it here. To summarize, I said the situation was scandalous, and that because of an indiscriminate summoning of men by the Saskatchewan board, people were being put to great inconvenience.

At that time I heard from Hon. J. T. Thorson, who was then a minister, stating that my information did not tally with his. I came back to Ottawa about September 1 and saw him. I had in my pocket eleven names that I had slipped there indiscriminately. Those I sent to the then Minister of National War Services, who promised that he would make an investigation of the cases and let me know. One can imagine my surprise as a member of the House of Commons when on September 29 a friend of mine forwarded me from Saskatchewan a copy of the Regina *Leader Post* in which appeared a long article dealing with these eleven cases, and going after me in no unmeasured terms. A report had been made to the press by an organization not responsible to this parliament, and of which two of the members of the board in Regina were honorary officers. I took exception to that, because had I cared to recount the conversation I had with Mr. Thorson—

Mr. MARTIN: What was the organization?

Mr. COLDWELL: The Regina branch of the Canadian Legion. Had I cared to recount the conversation I had with Mr. Thorson at the time it might have been embarrassing both to the Regina board and to certain other people. I wrote Mr. Thorson to that effect, and reminded him of the conversation. I also said that in the December before I had had a somewhat similar experience. When I spoke to Mr. Thorson about this breach of proper and decent procedure—for I should have been afforded an opportunity to see any report which was made, and such report should have been made by an organization responsible to the government—he told me too what he thought of that procedure. I make very strong protest against that sort of thing being done. I have no objection to any member of this house asking for the bringing down in the proper manner of any correspondence that I have had either with the Department of National War Services or with the minister, but I do object to reading in the public press a report which the minister should have first referred to me. I may say that the newspaper report varied considerably in tone from the official report which I received subsequently from the minister, under date of October 6, after I had drawn the matter to his attention.

I am not going over these cases, but I simply point out that I advised these young men, who did not seem to understand that they had to apply for postponement after they had received their medical call, to apply for postponement. The report of the minister shows that most of these young men did apply

for and receive postponements subsequent to August 21, the date when I wired the Prime Minister. I do not know who was responsible for this breach of parliamentary etiquette, but the minister gave me a good indication. I want to say to the present Minister of National War Services (Mr. LaFleche), who was deputy at the time, that that kind of procedure is against the rules and privileges of this house. I hope that the Minister of National War Services will bear that in mind.

Mr. LaFLECHE: Was the hon. member for Rosetown-Biggar indicating me personally?

Mr. COLDWELL: Mr. Thorson told me that he had handed to the deputy minister of his department the names I gave him, and I believe the minister was the deputy minister at that time.

Mr. LaFLECHE: Quite right. Is the hon. member indicating that the present Minister of National War Services is the one who gave out this report, to the public for instance?

Mr. COLDWELL: All I can say is—

Mr. LaFLECHE: I hope he does not mean that.

Mr. COLDWELL: I am glad the minister has said that he hopes I did not mean that, because in effect I did mean something like that.

Mr. LaFLECHE: In effect you are very much mistaken.

Mr. COLDWELL: I am glad to know that, and I shall not say what I intended to say. But I would say to the minister, who was then the deputy, that Mr. Thorson told me that he gave this letter to his responsible deputy, who I believe went west shortly afterward. The inference I drew from that was that it must have got into someone's hands out of the hands of the deputy minister. No one other than the minister himself had a list of these names.

Mr. HANSON (York-Sunbury): Would the hon. member clarify the charge he is making against the government? My mind is not too clear about it?

Mr. COLDWELL: My point is that the minister asked me to give him the names of persons who had been called in the middle of the harvest, and I gave him eleven names. I asked him to investigate them but I said that I could not vouch for all of them. The minister promised he would investigate. On February 21, four weeks later, the Regina *Leader-Post* contained a long, critical and bitter article concerning me, because I had requested, so the paper alleged, postponement for these men. The minister having promised to investigate, and naturally to report the result of his investigation to me, as he did subsequently, I should have had the report before it got into the public press.

Mr. HANSON (York-Sunbury): They used the information for political purposes?

Mr. COLDWELL: It looks as though the information was used for political purposes. The records will show that following the Prime Minister's statment in March, 1942, which laid down a policy, whether or not one agreed with it, Saskatchewan was treated in a manner different from the other provinces with regard to call-ups and postponements. I say that the Prime Minister laid down a policy based on an order in council. I do not care whether one agrees with that policy; once it has been laid down it should be carried out fairly in every province. That is the point I wish to make. A writer who I presume is friendly to the government—the Regina *Leader-Post* is certainly a friendly newspaper—wrote this article in that paper on Monday, February 15, 1943. One of the members of the board, Mr. Stewart, had commented on an analysis of farm deferments, and Mr. Burton Richardson replied to Mr. Stewart and showed that he had spoken too soon. I quote:

Farm worker deferments from April to November, 1942, in the three prairie provinces have been:

	Deferment asked	Not granted	Per cent
Winnipeg	4,312	422	9·8
Regina	3,974	916	23·05
Edmonton	2,101	96	4·5

There was a slight improvement after the Prime Minister made his speech in the house. From October 9, 1940, to March 12, 1942, the Saskatchewan board received 2,218 applications for farm worker deferments, granted 1,370 and denied 848, or 39 per cent. From April to November, 1942, both inclusive, this board received 3,974 applications for farm worker deferment, granted 3,058 and denied 916, or 23 per cent. Over the whole period its rate for refusing farm worker deferments has been 28 per cent.

In Manitoba the board was granting farm workers deferments before the change in policy in March at the rate of 61 per cent, but since then it has been granting them at the rate of 90 per cent. In the Quebec district the rate for granting such deferments was 67 per cent, and it rose to 95 per cent after the government changed its policy, or issued a clarification of its policy, whichever way you want to put it. The Ontario figures are the most interesting of all. The rate of farm

worker deferment granted was 93 per cent, and after the clarification it rose to 96 per cent. Practically everyone who applied in Ontario was granted a postponement, but in Saskatchewan we find an entirely different picture.

I do not want to pursue this further now. Those of us who come from Saskatchewan ask only for the same treatment as is given to the other provinces and the other military districts. We want no favours. While there may be a slack period for a month or six weeks, when this period is over the harvest will be upon us. Unless something is done we may see a repetition of what happened last autumn, when, because of a shortage of labour, hundreds of thousands of acres were either not harvested—

Mr. MITCHELL: And the weather.

Mr. COLDWELL: I was going to add, or cut. The weather had something to do with it, but the weather did not have everything to do with it. Fortunately we had a remarkable winter in Saskatchewan this year which seemed to make some amends for the shortage of labour last autumn. When I was out there in April I saw the most extraordinary sight I have seen in the thirty-four springs I have been in western Canada. There were the combines working in the fields, and the crops were turning out moderately well, having stood out all winter. The crops that had to be threshed from the stook were not in quite as good shape; those swathed were largely spoiled.

Owing to the growing shortage of food, western Canada has gone into the production of high protein foods, meats and fats. If we did not know it before, we ought to know it now, that the shortage of high protein foods and meats and fats to-day in Great Britain is causing a great deal of anxiety; and yet I have known of farmers who have had to sell their brood sows and their milch cattle this spring because they could not see how they could attend to their stock with their inability to get labour.

I know perfectly well that we are at war, and let me add that while I may not have agreed with the policy which the government laid down for the sending of large numbers of men overseas as we know have been sent overseas, yet parliament having approved what Canada is to do, we must keep up the reinforcements for our troops in order that they may be effective on the field of battle. I recognize that necessity fully. To-day we are reading in the newspapers items from London and North Africa foreshadowing an early invasion of Europe. Where that invasion will take place we do not know, but it is pretty certain that some attempt is to be made, and we hope successfully, to invade the European continent. It is said further that at this very time units of the navy and of the air force as well as of the army are in position to strike and that in all probability the Canadian army will form one of the spearheads of the invasion. Such reports are of unusual significance to this committee and to the house at the present time. We know that the venture when it is made will be very costly in human lives. If we did not know that before Dieppe, we knew it afterwards. What I would like to ask the committee is this: What is the situation which Canada will face when that time comes, possibly in the near future?

Mr. HANSON (York-Sunbury): With respect to reinforcements?

Mr. COLDWELL: Yes; we have to reinforce our army and keep it up to strength, whether we agree or not with the policy originally laid down.

Mr. HANSON (York-Sunbury): Yes, what is the position with respect to reinforcements?

Mr. COLDWELL: You will hear in a moment.

Mr. HANSON (York-Sunbury): I want to hear from the government.

Mr. COLDWELL: I understood the hon. gentleman was addressing his question to me.

The Minister of National Defence told us —if I am wrong I would like to be corrected, but I got these figures from *Hansard*—that we have some 190,000 in the armed forces overseas, the bulk of whom are well equipped and well trained soldiers ready to strike. He told us that we have in addition 250,000 general service personnel who could be sent overseas at any time. But this figure includes, as I understand it, a good many recent recruits who are yet insufficiently trained in the arts of modern war. Besides these there is the home establishment personnel of some 80,000 men. These, I understand, are engaged in instructional and other duties within this country. They are men who for various reasons are not fit to be sent overseas or are considered more important to be kept in the field of training here in Canada. We also have a part-time reserve army, a volunteer army of about 120,000 men. Then there is the home defence personnel who have been called up for service under the National Resources Mobilization Act. The Minister of National Defence told us, as I recall it, that

these men number about 68,000, and that they could be placed on duty under various orders in council anywhere in Canada, Newfoundland, Labrador or Alaska. The Minister of National Defence also told us that at the moment reinforcements are adequate. But in the light of the casualties that might be sustained in an invasion of the continent of Europe a pressing need might suddenly arise for all the reinforcements we can muster during the next few months. Again, let me repeat, this afternoon I am not going into the question of the wisdom of the government's military undertakings in the light of the needs of agriculture and industry. But I do think that consideration should be given now to what the government's policy should be if the need for heavy reinforcements arises. I venture to say that never since the war began has the government or this house, for that matter, faced the problem of devising a plan that would best serve the common cause or ensure our maximum contribution in the direction in which it can be most useful.

Now the time has come when our allies are crying aloud for more food from this country and we face a fuel shortage. The army at the same time is likely to need heavy reinforcements. Therefore, Mr. Chairman, we should make our decision now as to what we are going to do in the light of all the circumstances of which we have knowledge.

I have said that should an invasion of the continent of Europe occur our casualty lists would, I fear, be very heavy. Under those circumstances it would be difficult for this house to give proper consideration to the problem of man-power amid the pressure of an urgent war situation. The government must surely realize this, but I fear that it hopes to relieve itself once again of the necessity of giving calm consideration to the question and of making up its mind. I believe that it is hoping to rely on the pressure of public opinion to deliver it from having to make its own decision. That is not responsible government. In the long run it will be bad for the government, bad for parliament, bad for this country. That is a policy of drift which this house should protest vehemently against while there is yet time.

The story of the government's man-power policy has been one of opportunism rather than of calm consideration of the needs of the country as the war developed. Never have we had a clear-cut policy laid out for any length of time. I realize that as the war has developed, and as the government has committed this country to various plans with, or more often without, the consent of this parliament, or rather without prior consultation with parliament, all parties in this house have had to reconsider their policies in the light of circumstances and the needs of the country. Now we have surely reached the point, with the immediate prospect of heavy casualties and calls for increased food and other supplies, when this house should be fully apprised of the government plans to meet the situation. A year ago we discussed the amendment of the mobilization act, a measure which, incidentally, we criticized when it was passed in 1940, because we said at that time that the government would not use that act to do aught else than mobilize man-power, and time has shown that we were correct in that position. I have only to refer in a few brief words to the story of the Aluminum Company of Canada. When our people were being frozen in their jobs and wages, when farm prices were being frozen at a level too low to give a decent and adequate return, these people were not only paid a high price for their product but they were given an escalator clause in their contracts—not with Canada, because we have not even got a contract with them; we are following somebody's else's contract—so that during this quarter of the year 1943 these people are receiving five and a half cents a pound more for their aluminum because, it is said, the costs of transportation and so on have gone up. I said in this house on July 7, 1942, as reported in *Hansard*, page 3997:

> What should this house do? In our opinion, this house should decide now, at once, without further delay, for total mobilization of industry, of wealth and of man-power. But what are we doing under this bill that we are discussing?

That was the bill to amend the mobilization act following the plebiscite.

> We are merely allowing the government once more to postpone its decision on one phase of the mobilization that I have mentioned, and that not the most important. This, it seems to me, is distinctly an abdication of the responsibility of this parliament; it is undemocratic, it is unworthy of our tradition. This is the place where these grave decisions should be taken; this is the place where the policy should be laid down; this is the place where every regulation to be used under that policy should be carefully scrutinized by members of this house.

When, fourteen months ago, the people of Canada voted to free all the parties in this house from pledges given not to impose conscription for overseas service, they expected us to put into effect a policy of total mobilization for total war. I want to make it very clear that when I appealed for an affirmative vote on that plebiscite I did not do so on the ground that we should mobilize man-power only; I said that as far as we were

concerned we would demand, and continue to demand, that if we were to compel young men to join the army as we were already doing, we should use the same means to mobilize in the national service giant corporations like the Aluminum company, Consolidated Smelters, and Falconbridge Nickel. It will be recalled that the letter of the president of Falconbridge Nickel was tabled here the day before yesterday, and I shall have something to say about it on a more appropriate occasion. I thought with it would be included a letter from the Prime Minister saying what he thought of the statement made by Mr. J. Gordon Hardy, when he expressed satisfaction that their plant over in Norway had been preserved and used by the Germans. I thought the Prime Minister would have conveyed to Mr. Hardy, as he should have done—because although the Prime Minister said something in the house, Mr. Hardy may not have read *Hansard* or the reports in the newspapers—what the government and this house thought of a man who would say that kind of thing in the midst of this great struggle.

Mr. MITCHELL: I do not want to interrupt my hon. friend, but I think there is another time and place for discussing that matter.

Mr. COLDWELL: That is what I said.

Mr. MARTIN: The whole thing is out of order.

Mr. MITCHELL: I am just calling the Chairman's attention to it.

Mr. COLDWELL: May I say to the minister that that was just an aside, and I have finished what I intended to say as an illustration.

I said that our party stood for the total mobilization of industry and wealth as well as man-power. We expected that a policy of total mobilization would be put into effect. This has not been done. On the contrary, as I think I was able to show conclusively recently and as I have remarked already this afternoon, the government in the last twelve or eighteen months or two years has delivered this country more completely into the hands of powerful corporations than the country was before the war broke out.

When the offensive against nazi Europe opens and the demand for reinforcements comes, the government may take advantage again of a war necessity to enlarge the conscription of man-power, and rely on this house being compelled to support it because of the extremity of the situation. Speaking on July 7, 1942, just after I had spoken that day, the Prime Minister said, as reported in *Hansard*, page 4015:

> I wish, however, to leave no doubt in the mind of any hon. member that, if I am at the head of the administration when such a decision is reached,—

That is to say, to send men mobilized under the National Resources Mobilization Act overseas.

> —I shall ask to be assured of the confidence of the House of Commons before the government proceeds to enforce the decision.

In other words, we in the opposition, who may have little or no confidence in the government, are going to be compelled not to vote certain reinforcements to the men overseas, but to vote confidence in the government as the price which this house must pay for the reinforcement of our men in the battle line. That is the way the Prime Minister left it on July 7 of last year. Now on many occasions we of this group have voted against the government's economic and social policies, and I may say that if the rules of the house would have permitted, and it did not involve a reduction in the appropriation, I would have moved during this debate a vote of want of confidence in the government on account of the deal with Aluminum Limited, and I shall seek an opportunity yet to bring that matter before the house in a proper way. But, should the war situation require it, the government proposes to put me, my colleagues and other opposition members, including I take it hon. members to my right and to my left who are dissatisfied with the government's lack of policy or wrong policies—

Mr. HANSON (York-Sunbury): Or no policy.

Mr. COLDWELL: —or no policy, as we regard it, in the position of having to vote confidence in it, or it will be said that we refused to vote reinforcements to the hard-pressed men overseas. I say there was never a more reprehensible proposal made in this house. I repeat that we of this party are prepared to do all that should be done to ensure adequate reinforcements and supplies for our men wherever they may be called upon to serve. As I said before, even in this war time, in the midst of war, we will fight a proposed war policy of which we disapprove; but once this house has laid down a war policy in the midst of war, then we will support that policy. That is all that we can do in the midst of war, reserving the right to criticize that policy.

Mr. HANSON (York-Sunbury): Whether you approve it or not?

Mr. COLDWELL: Often the member for York-Sunbury rises and criticizes the policy proposed by the government in connection with the war, and so do I. But once this parliament as a democratic institution approves that policy and it is required by the government for winning the war, we have no alternative but to support such a policy even if we proposed a better one. That is so in the raising of loans, for example. I do not like the manner in which loans are raised, but that is the policy laid down. I am quite glad to go on the air and support the policy approved by parliament for the raising of loans, although I think that compulsory loans on a graduated scale ought to be imposed rather than the kind of voluntary arrangement which we have at the present time.

What we demand is that mobilization of our resources, wealth, industry as well as man-power, shall be considered as total mobilization and shall be considered apart from any attempt to stampede this parliament in a crisis. That is what I object to. I am therefore urging the government now, during this debate—for this is where it should be done—to place before the house at this time any proposals which it may have, and not to wait until perhaps, with long casualty lists coming in, and the country filled with alarm, we are called here—what for? For reinforcements? No. The Prime Minister would tell us that we were called together to vote confidence in a government in whom we may have no confidence. And if we vote against it, as the hon. member for Maple Creek says we can do, what will be said? It will be said that the opposition in the house refuses to vote reinforcements in a time of crisis. That is the position we shall be placed in, and I say that if the government is honest with this house it can clear up this situation now by coming before parliament and telling us exactly what it intends to do and asking the support of the house for the policy which it has for carrying out its intention.

What we are urging, what I am trying to urge as I sit down, is simply that the government shall present to the house now a clear-cut policy telling us the number required in industry, the number required in agriculture, and so on, to keep up the supplies we need, and the number we shall require to maintain the armed forces in the face of what might possibly occur. The government may say, "We do not know." Well, they made a survey of the man-power situation.

[Mr. R. B. Hanson.]

Mr. MITCHELL: Can the hon. member tell us how many casualties there are going to be?

Mr. COLDWELL: No. But any government in power to-day, with its military authorities giving it advice, who does not know any more about that question than I do—for no such advice is available to me—is not fit to govern the country. So that the minister should not ask me but should ask his colleagues. Having made a survey of the resources of the country from time to time, and having the knowledge that the government has, and having also its military advisers who can tell it more or less what is in prospect, the government should come before us with a policy so that we can make a decision now without having to vote confidence in the government at some later stage. For, as I say, so far as we are concerned, we have no confidence in the economic, financial, labour, agricultural and social policies of the government—because, as we saw in this morning's paper, the measure of social policy contemplated by the government is again to be deferred.

Mr. GRAYDON: You do not seem to think much of them in any department.

Mr. COLDWELL: No, I do not. I have been here long enough to form an opinion and I have given the government support in all its war measures, but I must confess that the longer I stay here the less confidence I have in its policies. I have a good deal of respect personally for some of the men who comprise the government, but I have no respect and no confidence in the policies of the government, which is a very different thing. And so, I say to the minister—

The CHAIRMAN: Order. The hon. member has spoken for forty minutes.

Mr. COLDWELL: Now is the time for the government to come before the house and place its man-power policy before us, asking us to support that policy, apart altogether from any question of confidence in the government itself.

Mr. POULIOT: The more discussion we have the more I regret that a parliamentary committee was not instituted for each war department, and especially for the Department of Labour, at the beginning of the session. Then members would have had an excellent opportunity to discuss fully matters that are of such importance to the country.

I listened yesterday to a part of the speech made by the leader of the opposition (Mr.

Graydon) and I think he spoke very well, but I do not think that he was clear enough. As the government has been acting according to what the member for Richelieu-Vercheres (Mr. Cardin) said, through fear of a vote of censure from the opposition, on the question of man-power, it is of some importance to know exactly what the leader of the opposition meant by some of the sentences which he uttered and which were the less clear parts of his speech yesterday.

On March 3, at page 938, of *Hansard,* he said:

> May I point out however that there is a feeling throughout Canada, one which will show itself in any movements which lie ahead, that when the war is over we shall have a higher sense of human values and shall give lesser emphasis to material things than we have done heretofore.

The question of human values cannot be included in a post-war policy; it must be considered right now. It must always be considered at the time such questions have to be dealt with and should not be deferred until every man has fallen on the battlefield or everybody has died of hunger. That is not the time to discuss questions of human value. We must discuss them now. I regret that so many young men with promising brains have lost their lives or have been injured since the beginning of the war, and now I come again to the question of national selective service. And here the name of Mr. Little has been brought into the discussion. Some hon. members are familiar with his plan, but I wonder if all have read his memorandum and the correspondence exchanged between Mr. Little and the minister.

I fully sympathize with the minister in the difficulties with which he has to deal in connection with labour matters, particularly because of the fact that he has not a free hand in respect to the man-power problem. To make this point clear, my point is that he has to fill the requisitions of the national defence department; and the old men there, as well as the younger men who have not served in any theatre of war though they have been wearing the uniform for some time, devise policies and sign requisitions for certain numbers of men, just in the same way that they sign requisitions for war material which they obtain from the Department of Munitions and Supply. They do not attach any more importance to human values than to material things. We need not only the arms and physical strength of these young men who are in the army; we need also their brains, their intelligence and their education in the various fields in which they have acquired experience.

Turning once more to what was said yesterday by the leader of the opposition, at page 3999 of *Hansard* I find this:

> . . . the responsibility for the man-power problem, so far as the Minister of Labour personally is concerned, is an inheritance. . . .

That is true; but on the other hand, Mr. Chairman, the leader of the opposition also had a legacy from his predecessor the hon. member for York-Sunbury, what we may call in law an onerous legacy. I have no grudge against the hon. member for York-Sunbury, though at times I have argued bitterly with him; the only reason I rose each time he advocated a national or union government—the letters N.G. being inscribed upon his political banner during the last election—was because every man with a free mind foresaw the disastrous results of the policies he was advocating, which were followed to a certain degree by the new government. I remember distinctly the day in 1940 when the mobilization act was passed; I recall the hon. gentleman's beaming face. He was feeling so happy because his suggestions had been accepted at least in part. But though the present leader of the opposition said yesterday that the policy of the government from the beginning of the war to the middle of 1940 had been rather complacent, I foresaw then the disastrous results of the policies being advocated by hon. gentlemen opposite. If to-day we have trouble in regard to man-power for agriculture; if we have trouble in regard to the fuel wood industry and in many other ways, it is precisely because the question of man-power has been considered only from the angle of sending able-bodied men of military age into the armed forces. This was a mistake. No one should be too proud to admit having made a mistake; it is always time to correct it. What is wrong is not to change the policy when we realize that what we are doing is having harmful results. That is my point. How can an hon. member still advocate conscription for overseas, either directly or indirectly, now when we have so much trouble in various other fields of human activity? Again at page 3999 of *Hansard* of yesterday the leader of the opposition said:

> The measure of efficiency of a nation effectively to plan in a time of war may properly be regarded also as the yardstick by which we may measure what this nation, or for that matter other nations, may be able to do in the time of peace that will follow the cessation of hostilities.

This fits in with what the hon. gentleman said on March 3 with regard to human values. We must consider the question now in order to have at least some assurance that the future will be brighter than the present. We need a

plan, and it is difficult to make one. There are prejudices, so many that I could not mention them all, but there is one to which I must refer. It is that in time of war the Minister of National Defence should rank first after the Prime Minister. In other wars that may have been true, but in this war the minister who has power in hand, if he wants to use it, is not any one of the ministers of defence but the Minister of Labour. Perhaps I shall be the only hon. member to tell the minister that, but I want him to be a free minister as he is a free man. I want him to make decisions based on his own judgment, after obtaining full knowledge—decisions that will bind his colleagues and the war departments. This is my view of national selective service, if such a name should be applied to a system or policy in force in this country during the war. In my humble view immediately after the Prime Minister the Minister of Labour is the one who has in hand control of every field of activity in this country. He has control over agriculture, over the army and so on; he can even say to young men who want to enlist voluntarily in the air force or the navy that it is their duty to stay on the job on the farm, in the munitions factory or some place else where their presence is urgently needed. This is my understanding, and I cannot see the Minister of Labour acting as parliamentary secretary to the Minister of National Defence or any of the war ministers. This may sound new; no one has said it before, but I believe in it very firmly and that is why I say it. This is the only place to express oneself with respect to those important matters. If headquarters at Ottawa come along with a requisition for a number of men, and say, "We need 5,000 men" or 10,000, as the case may be, the minister must be in a position to say, "Agriculture needs a certain number of men." Then it will be up to the minister to decide whether the gaps in farming will be filled by those men. The same would apply to the Department of Munitions and Supply. I do not want the minister to have more power, but I want him to exercise the power he has to the best of his ability, whether or not it pleases the brass hats.

Of course other ministers may complain, and may say that we have made engagements to Great Britain. We may be told that the Minister of National Defence went to London in the winter of 1940 and made engagements. This was mentioned in a committee room in this house, after the session was over; but he never told us what his commitments had been.

If the government has been released from pledges given to the people, surely there is one pledge from which it cannot be released,

[Mr. Pouliot.]

and that is to see that we have sound government, and that no class suffers from policies enacted by the government. That is my humble view.

I come again to what was said yesterday by the leader of the opposition. I regret that he is not in his seat at the moment, although while he was still in the committee I said I was going to refer to that speech. He spoke about the registration in 1940, and is reported in this way at page 4001.

> As the months rolled on, from August, 1940, until March, 1942—and I believe one might properly take in that space of time—in my opinion there was not to be found in government policy a forthright desire or effort to carry out what that registration actually should have meant; because, if the registration was to be useful, so far as our man-power situation was concerned, it should have been used right away.

What did he mean by that, I want to know? Any hon. member should be flattered when one of his colleagues takes the trouble to read his speech and asks enlightenment with respect to the darker corners. The leader of the opposition used the expression "what that registration actually should have meant"; what did he mean by that? And at another point he used this expression: "So far as our man-power situation was concerned, it should have been used right away." Mr. Little was not with selective service at that time, and all the hon. member said about Mr. Little had no bearing on this matter. It was before Mr. Little came. Therefore we want to know what the leader of the Progressive Conservative party meant by that, and if he is still boosting the obsolete policy so dear to the heart of the hon. member for York-Sunbury. Then he went on to say:

> While it may be urged that in some respects moves were made to place in position men and women who had registered especially in respect of certain skilled operations, nevertheless I think no one in Canada would say that there was any real attempt on the basis of that registration to allocate man-power in an efficient or effective way, having regard to the conditions existing in those years.

I want to know if this was said in such a way that it could not hurt the feelings of those who suffer from the application of the mobilization act, and also to appeal to a larger number of supporters in the coming Ontario provincial election. I know the leader of the opposition well enough to presume that not for one moment would he say something in this house only to promote the interests of the Conservative opposition in Ontario.

At page 4002 he goes on to say:

> In November, 1942, the government had reached another fork in the road. Having reached that fork, they took the turn which led, shall I say, to a more delicate and a more

pleasant political climate. I do not intend to find any special fault with the government for taking that action, but they did fail to take the turn in the road to which the elongated finger of necessity and the elongated finger of national interest pointed.

What is the road to which the "elongated finger of necessity" and the "elongated finger of national interest" pointed? I have never seen an elongated finger, but I should like to know about it. It is a fine figure of speech, but I do not understand it very well, —and I confess that humbly.

Then he proceeds to discuss the plank in the Winnipeg convention and at page 4003 he quotes from that convention as follows:

Recognizing that the world struggle in which Canada is engaged requires a total war effort, we believe in compulsory national selective service, and that all those selected to serve in the armed forces should be available for service wherever required.

It is the old story of conscription for overseas.

Mr. CRUICKSHANK: May I ask the hon. member a question?

Mr. POULIOT: No.

Mr. CRUICKSHANK: Thank you.

Mr. MACKENZIE (Vancouver Centre): That is courtesy for you.

Mr. POULIOT: And, sir, this is the way they are acting. They are afraid to say boldly, after the disastrous effects of the disguised conscription of which they complain, "Let us go straight forward to conscription for overseas, for the armed forces". What logic is there in what they say? They complain of the results of the policy adopted—adopted to a large extent on their recommendation or supplication. They complain of those results, and suggest that the government go on in a more vigorous fashion with the same policy. The leader of the opposition continues:

To hear the Minister of Labour talk, one would think that had been done, but what are the facts? On the general advisory board for national selective service there is but one farmer. That is not good enough. The people engaged in agriculture in Canada will not be satisfied with that.

Is that all the leader of the opposition had to say on behalf of the farmers? When I rose in my place to move the adjournment of the house, to remind the government that farmers are existing in this country, and that they are in distress, the leader of the opposition prevented hon. members in his party from rising in their places. I was informed afterward by the press that those who inspire the Progressive Conservative party had decided that that was not the time to discuss such matters. With the assistance of a few of my Liberal colleagues and of the former leader of the opposition, whom I thank; with the assistance of the hon. member for Yale (Mr. Stirling), the hon. member for York East (Mr. McGregor), the Cooperative Commonwealth Federation group, the New Democracy and the independents, we obtained an opportunity to discuss the matter. There are some draftees who come under the jurisdiction of the Minister of Labour and there are others who come under the Department of National Defence. As the rules governing discussion are rather strict it would have been impossible to discuss both cases at the same time. That is why we took a whole day for the farmers.

The leader of the opposition is reported on page 4004 of *Hansard* as follows:

—but I think he will have to revise his remarks because, if there was one idea behind national selective service, it was to take out of non-essential industry and put into essential war-time activities the maximum of our man-power.

Now we come to Alexander Gunn. I desire information about this man. I gave an interview to the local press and I sent the article to all members. In that interview reference was made to Mr. Gunn who had been brought from England to decide what was essential and what was non-essential industry. I am very much surprised that the minister has not said a word about Gunn. The soldiers need guns, but I do not think the minister needs a Gunn. But what astounds me is the admission that a man who knows nothing about Canadian business has been brought from Great Britain to decide what industries are essential and what are non-essential. I am surprised that this man has been given so much power. I have every respect for Canadians who have been born outside this country. I have said before in the house that there are some Canadians who were born outside of Canada who are better Canadians than some who have been born in the country. On the other hand, it is only fair that complete information should be given about this man Gunn so that we may know whether he has had sufficient experience. To a large extent he is responsible for the trouble we are now having in various fields of industry. I hope the minister will be able to attend to this.

Then the leader of the opposition mentioned a dispatch by Mr. Grant Dexter to the Regina *Leader-Post,* and quoted him as follows:

The failure of the government to use men and women effectively has meant that they have been allowed to remain at non-essential work.

What is essential work? What is non-essential work? What does Mr. Dexter know about essential and non-essential work? Does the leader of the opposition mean that conscription should be applied, not only to men but to women? That would be a good thing to know. The leader of the opposition goes on to comment upon the increase in employment in the making of furs. Furs are needed in our winter climate. He referred also to the increase in employment in beverage making and in personal trades, which includes laundries and so on. He is comparing the figures for 1938 with those of 1942, when there was no rationing. The figure for laundries for 1938 is 141·5, and it increased to 194·6 in 1942. All that means that we have more dirty linen to wash. Does the leader of the opposition mean that laundries are not performing essential work?

Then he asks for a sweeping inquiry. We could have had a sweeping inquiry if a parliamentary committee had been in charge of the expenditures of the Department of Labour from the beginning of the session. Witnesses could have been called and we would have been able to obtain information. This committee would have been of great help to the minister from time to time. I want to tell the minister that he will make a success of national selective service—I have not given up hope that it will be a success—just the moment he begins to act as the boss, in the Canadian spirit and not in any imperialistic spirit.

I do not want to be hard on the leader of the opposition because he is one of my best friends and I have great regard for him. He speaks as the leader of a party that was once great, and his words have more weight than those of any other member of the party. I say that without meaning offence to anyone. The leader of the opposition should act as the leader of his party. They should not have a wandering Jew as the leader of the party enjoying the beautiful climate of Prince Edward Island when we are sweating here just because he is afraid to run for the House of Commons.

Mr. HANSON (York-Sunbury): Oh, sit down.

Mr. POULIOT: No, I will not sit down. The hon. member for York-Sunbury does not seem to realize that what I am saying is the truth. This man John Bracken has a different policy for every parish he goes into. We do not hear any statements of his coming from the house, but he goes along preaching a different gospel in every town, city or village. He should be here. The leader should be with his army, and the army is here, not in Prince Edward Island. He should be acting as leader and the Conservative party should not be led in caucus by a former secretary of R. B. Bennett.

Mr. HANSON (York-Sunbury): Mr. Chairman, what has this to do with the resolution?

Mr. POULIOT: Now that the leader of the opposition has come into the chamber I will tell him what I have said. He will see in *Hansard* that I have criticized some of his utterances, and I think justly so. I said that he should be the leader of his party, that the Conservative members should have the courage to elect him and not to pass over all—

Mr. HANSON (York-Sunbury): Mr. Chairman, on a point of order, what has this to do with the resolution before the committee? Not a thing in the world.

Mr. POULIOT: I do not want to be interrupted by the dead.

Mr. HANSON (York-Sunbury): I am rising to a point of order. These remarks are entirely out of order. The hon. member for Témiscouata will take his seat if he is a gentleman when I raise a point of order. What has this to do with the resolution before the committee? How long have we to suffer this sort of thing?

The CHAIRMAN: On the point of order, I think the hon. member for Témiscouata must realize that it is difficult for the Chairman to keep speakers within the limits of the item before us. All I can do is to ask hon. members to keep their discussion within the limits.

Mr. POULIOT: I have nearly concluded my remarks, but I have just one word to say to the leader of the opposition. He does not realize that when I speak as I do I am avenging him for the fate which he suffered at the hands of his former supporters. Although I disagreed entirely with him I preferred to hear him advocating conscription as official leader of the opposition or leader of the Conservative or the Progressive Conservative party or the N. G. party—call it what you will—to reading the rosewater speeches of his present leader. At least I knew where he stood, and I fought him on that ground. But I will tell him another thing. I never rose to interrupt him except when he was interrupting me. I have given all members the opportunity to say what they wanted, and I

will tell the former leader of the opposition that he did not help his cause by speaking as he did. I tell him further that I regret that the Progressive Conservative party did not choose a pure Conservative as their leader. Instead they went out to find a man who had been able to form a small scale union government in Manitoba and they brought him here for the same purpose, thinking that with John Bracken as their leader they would have a union government at Ottawa. That is why I am opposed to John Bracken, because a union government would destroy the freedom of opposition in this house. It would prevent an opposition from expressing fair and just criticism of the actions of the government. That is why I am opposed to union government. I think the hon. member for York-Sunbury is still for it, and if he thinks that John Bracken is the man in Canada who can do it he is making a great mistake. I do not want to discuss conscription, I do not want to discuss national government, but I will fight John Bracken, and as he is the chosen leader he must be strong enough to defend himself. But he goes away all the time. He is a wandering Jew—an Isaac Laquedem.

Mr. GLADSTONE: He is a good Canadian, anyway.

Mr. POULIOT: A good Canadian wandering Jew.

Mr. HANSON (York-Sunbury): Surely the Chairman should do something about this.

Mr. GRAYDON: I rise to a point of order, Mr. Chairman. I am quite sure that the hon. member for Témiscouata on reflection will not want to cast aspersion upon the leader of our party. I am quite sure that he has gone a little further than he intended. It is not very often, Mr. Chairman, that it is necessary for me to rise in my place and defend the good name and reputation of a man who has been chosen the leader of a great party in Canada, the Hon. John Bracken. But I do so here with a great deal of pride and pleasure. I would ask the hon. member for Témiscouata not to follow his present line of argument; for at a time like this especially he should not cast reflections on a good Canadian who is trying to do his duty as Mr. Bracken is.

Mr. POULIOT: Is it unparliamentary, Mr. Chairman, to call a man a wandering Jew?

The CHAIRMAN: I think the point of order is well taken. It is not in order in committee of the whole house to cast reflections on leaders or members of any party.

Mr. CRUICKSHANK: May I ask a question of the Minister of Labour? I wanted to ask the hon. member for Témiscouata but I was not permitted. But first of all I would like to associate myself with the leader of the Progressive Conservative party. I have never found it necessary to lower myself by making personal remarks about the leader or prospective leader of a party in the house. I just wanted to help the hon. member for Témiscouata. As I understand it, the Minister of Labour has complete charge of all labour in all parts of this dominion. I do not want any unfairness done to any member of this house, particularly to the hon. member for Témiscouata, so I appeal to the minister, as head of the selective service, to see that the hon. member for Témiscouata is properly and adequately served. I notice that the *Chronicle* of June 23, 1943, has this heading: "Extra stenographers called in to handle Pouliot's mail".

Mr. ESLING: Mr. Chairman, in the manpower discussions in this house nothing has been emphasized more than the need for farm labour. Perhaps there is not a district in this dominion in which there will be found a greater number of husky robust men, farmers too, of military age than in the district of West Kootenay. I refer to the Doukhobors. They were born and brought up on the land; they are natural farmers, but they are leaving the farm for the older members of the family to work while they drift into the community centres to exploit the labour market, to take advantage in every way of positions which have been vacated by men who have joined the armed services.

The hon. member for Yale (Mr. Stirling) yesterday repeated the story of the admission of the Doukhobors to Canada. They were admitted and given the fullest immunity from military service. But that order also provided that they must present a certificate from the authorities in their own community. that was forty-four years ago. I am going to ask, what happens when the Doukhobor community no longer exists and when there is no authority to grant the certificate? The question also arises, does that immunity from military service extend to the descendants of the original Doukhobors? The Minister of Justice has ruled that it does, and under the mobilization act the same ruling has been followed. The fact remains that the government—not this particular government but every government both federal and provincial —are afraid to enforce the law in connection with this religious sect.

I have in my district some 3,500 Doukhobors. That is an approximate estimate. A national registration was taken about a year after the war was declared. The registrar sent capable and responsible men into that community to register the Doukhobors, and they did the best they could. But the one purpose of the Doukhobors was to evade registration. It will take a good strong armed force of ex-service men or mounted policemen to register these Doukhobors, and a half dozen of them should go into that community and register every one of them. More than that, they should see to it that these Doukhobors are not allowed to continue to drift into West Kootenay district from Saskatchewan for the purpose of hiding their identity. For many years I attempted to bring to the attention of the government the defiance of the law by this sect, and I have to say that about the only time one could secure the interest of hon. members was when they were visualizing a description of a nude parade. Then they all sat to attention. If some of them had to experience the continued bombing and firing of schools, of which there were twenty-two or twenty-three cases within a few years, while teachers were sleeping in the living apartments of the school and were able to escape only because those apartments were on the ground floor; and perhaps if hon. members had to suffer the humiliation of their wives and daughters who had to witness these nude parades, they would look at these things in a different manner. But you can never interest any government. Whether it be present or previous federal governments or provincial governments, all are afraid to enforce the law. It is a humiliation which this dominion must endure. A great nation which raises an army of 500,000 men, which looks after several thousands of prisoners of war, which can move 25,000 Japanese, has not the ability, has not the—

Mr. HANSON (York-Sunbury): Intestinal fortitude.

Mr. ESLING: Yes—the fortitude to enforce the law, to make these people follow the laws of Canada as laid down by both federal and provincial governments. That is a matter I want to emphasize to-day more than the mere question of man-power.

The government has before it three resolutions from my district, namely, from the Central Farmers' Institute, the Associated Boards of Trade of Eastern British Columbia, and the Rehabilitation Committee of the city of Nelson. These bodies represent three sections of outstandingly responsible citizens, people who have at heart the interest and welfare of the country. But if the government is not disposed to take cognizance of their representations, what is the use of presenting them?

They go on to show the privileges which these people have over and beyond our real Canadian citizens. They exploit the labour market, they exploit the produce market. As farmers they take their produce into town and secure higher prices than anybody else, with a total disregard for every provincial law. They refuse to register vital statistics and flaunt the law in every way.

The amended mobilization regulations provide exemptions for Doukhobors and conscientious objectors as well as for Mennonites. The minister through his selective service officers may call upon these people to do alternative service. He does not say that they must do it. The minister would get just as good results under these regulations if he sent a perfumed note asking these people if they would please come and do some alternative service, because they do not intend to do it and the government is afraid to force them to do it. That has been shown in the past. In 1941, after the national registration, what happened? This government in conjunction with the provincial government laid out a piece of work which was classed under these regulations as alternative service: these Doukhobors were to improve a road, were to receive fifty cents per day, and were to be under the control of the provincial government. The work was allotted on the recommendation of the provincial government by the authorities at Ottawa. What did the Doukhobors do? They just said, "We are not going to do any work for fifty cents a day and board, and we are not going to do this alternative service." They did not do it; they simply asked the government what they were going to do about it. The government did not and could not do anything about it, and has never been able to do anything about it, in any avenue of work which might be classed as alternative service.

That is the situation. To show further the absolute fear which this government and the provincial government—I include all federal governments since the day these Doukhobors were admitted to Canada in 1898—have of enforcing the law, what happened in connection with a large life insurance company which advanced to this sect $200,000? Several years went by. No interest and no principal were paid. Foreclosure proceedings were taken and an eviction order was issued. When the sheriff went to evict these Doukhobors from the land on

which the mortgage was held, he was afraid to do it. He got no support from the provincial government. Then what did the provincial government do? It paid the insurance company $200,000 and took over the land, and from that day to this, a period of five years, these Doukhobors have not paid one cent of taxes. They are on this land, scot-free of taxes; they cultivate the soil and take their produce to market in competition with the good Canadian farmer alongside who pays his taxes regularly and has to comply with Canadian laws.

Let me cite a little incident which came to my attention just before coming down here, relating to the need of dairy labour. Three of these Doukhobor girls—any of them can do a man's work—go to a dairy and offer their services. When they are told that they will receive the going rate of pay less the amount of taxes prescribed under the Income War Tax Act, they say, "No, we are not going to work if we have to pay taxes," and so they walk away, to the great discomfort of the dairyman. So the matter goes on, and the government still fears to enforce the law.

Then, what about the failure of the national registration to cover all these people? They drift in from Saskatchewan. Farmers in the district need help; and I have four specific cases of farmers who employed Doukhobor women to help them out, and then some government official discovered that these women were working without a registration certificate, and they did not penalize the women but they penalized the farmers and fined them $10 each for not having done something which was originally the duty of the federal government. For it is the federal government's duty to see that every Doukhobor is registered.

I have tried to make it clear that it is in view of the absolute defiance of the law that these three responsible bodies to which I have referred have appealed to the government to see that these Doukhobors are compelled to render alternative service. Some people raise the objection that this immunity does not apply to the descendants of Doukhobors. However, they are Doukhobors. You can call them Doukhobors or conscientious objectors, but the fact remains that the government is afraid to enforce the law. I appeal to the government to send the mounted police there or ex-service men to see that everyone is registered and that they meet the requirements of alternative service.

In conclusion, I appeal to the Prime Minister. Those Doukhobors who came in under the original orders are not Canadian citizens, and if they do not comply with the law it should be possible for the Prime Minister to negotiate with the Russian minister for their return to Russia.

As for those who are not of the original group, they are all under the age of 44. They came in 1898 and are 44 years of age, and they are just as bad as the others. I must say, however, that the younger element to-day are governed largely by the advice of the original settlers. One young man came to my office and I tried to persuade him to register. He was 21 and had put in one year in the university. I asked him why he had not registered and he said that his grandparents did not want him to. That is the influence that is exerted over the younger community.

I suggest that there be cooperation between this government and the provincial governments to forbid any Doukhobor who is not registered or who does not comply with the law to use any public conveyance, whether it be a train or a bus or ferry. It could readily be arranged for the conductor or the bus driver, or whatever officer may be in charge of such a vehicle, to have authority to demand the presentation of that certificate, and if they do not comply they should not be permitted to ride. Furthermore, there should be cooperation between the province and the federal government to see to it that there is no travelling from Saskatchewan to British Columbia. We certainly have enough of this undesirable class there now.

My closing word is this. Does this government intend to remain firm in its refusal to enforce the law? That is all that these various resolutions amount to. They merely ask that the law be applied to these people with the same degree of justice as it is applied to real Canadian citizens.

Mr. LACOMBE (Translation): I have followed with a keen interest the speeches delivered this afternoon by hon. members of this house. Whether they belong to the Progressive Conservative party, the Cooperative Commonwealth Federation or the Social Credit party, we can rightly put them in the same class. They are in perfect agreement with the government. They complain about the farm labour shortage, but all of them, one after the other, have voted against the amendments and the resolutions I moved in favour of the exemption of farmers. How inconsistent and hypocritical is such an action, Mr. Chairman! Certain statements are long overdue in this house and we are prepared to make them to-day.

The discussion on the estimates of the Minister of Labour (Mr. Mitchell) has been await-

ed with much concern for many weeks. All is not well as regards man-power. In connection with war industries, agriculture, commerce or civilian industries, we are witnessing the dismal failure of the organization of man-power in Canada. Agriculture is facing a shortage of experienced men through the action and by the fault of the government, who have always denied the farmers complete and definite exemption from compulsory military service. Indeed, they have through their huge majority in parliament and in collusion with all opposition groups with the exception of ten members of this house, invariably voted down all the resolutions and amendments I have moved along that line. It would seem that the government's single purpose is to bring about a shortage of agricultural products. Their first duty was to stimulate by every possible means the production of foodstuffs that are indispensable to the army and the civilian population of Canada. What have they done? They have called for military service thousands of farmers. They are still doing it in spite of our constant protests. On the one hand, they advocate agricultural overproduction and on the other hand they subsidize the western farmers so that the latter may reduce their production. That is the government's policy. On the one hand, they request the farmers to produce as much as they can, and on the other hand, they deprive them of every means whereby they could do it, in taking away from them their best workers. What conclusion is to be drawn from such an attitude? What must we think of such an administration? If we consider that seeding is not yet completed in many provinces of eastern Canada, and that thousands of farmers are still kept in military camps notwithstanding all requests and in spite of our protests, we cannot condemn too strongly the disastrous policy of this government. Who will restore to farmers the dairy herds that have been slaughtered for the lack of help, the farms sold for a mere song or left uncultivated. Who will set on its feet again our agricultural economy so thoroughly shaken by a most unwise policy? Who will return to the farm the numerous farmers who have moved to the cities under the incentive of remunerative but uncertain jobs? We can never be too insistent in reproaching the government for having destroyed our first line of defence in the country, agriculture. However, the day when they will be called to account is approaching. Those who are responsible for the present sorry state of affairs may be convinced of one thing: the Canadian people will have their revenge and treat according to their desserts those politicians whose blind obstinacy will have ruined our agriculture and given a mortal blow to our economic and financial set-up.

And the government set forth as an excuse the so-called postponements granted to farmers. Mr. Chairman, I shall say a few words about them. Let us be frank. How much trouble and bother, how many attestations before a notary public, and visits to their members of parliament and how much loss of time do these precious postponements occasion. What a joke! On the other hand, how many requests have had no other answer than a railway or bus ticket accompanied by a notice to report at a military camp. Let us stop being hypocrites. The government have deceived us long enough. We are now witnessing, in this country, the worst example of hypocrisy and lying of all ages. Never before have so many promises been broken when their fulfilment was known to be an impossibility from the beginning. Never have so many sacred undertakings been trampled underfoot by a government who climbed into power by promising to adopt a programme the exact opposite of that which is implemented. This government has been guilty of the worst breach of trust ever. Is it surprising that dissatisfaction is apparent in every section of the country? Is it surprising that strikes are breaking out all over Canada? The people, whom the government themselves have so often let down, are rightfully mistrustful and alarmed. They groan under burdensome taxes brought about by the extravagance and the shameful waste of a government so thriftless that our money will remain devaluated for a long time to come. Our dollar is now worth 10 cents less than the American dollar whereas, before the outbreak of the war, in 1939, it was worth 17 cents more. Our whole resources are mobilized, not only for war purposes, but for the enrichment of a flock of vultures wrangling over the last scraps of our economy. Witness the Lynches, in Montreal, the Engineering Works, that stole $250,000 from the government who took two and a half years to find it out. In the space of a few months, the government purchase close to a million dollars' worth of luxurious furniture for military camps. The same hypocrisy and deceit are always in evidence. The government recklessly spend the taxpayers' money. Scandals multiply. Our war expenditures committee is made up of eighteen Liberals and six members of the opposition. Can you see any fairness and equity in such a set up? We have here in the cabinet three new millionaires who have made their money since the war's outbreak. We shall denounce them at the proper time and

place. Fortunes are being built up. I say to the Minister of Justice (Mr. St. Laurent) that the minions of the regime are having a wonderful time and that those war profiteers all fondly hope that the war may last forever. They don't care a fig for our soldiers. They scoop up money by the handful out of our revenue and, as we shall prove in due course, they celebrate on behalf of those who work, who suffer and who toll. This shameful situation besmirches the fair name and spells the ruin of a country which, but yesterday, was proud and free! Not only that but, in the very name of freedom, liberties are now being despoiled which were dearly bought after centuries of struggle and include the most precious and sacred of them all—the freedom of speech. I appeal now to the Minister of Justice in the case of Mr. Camillien Houde, former mayor of Montreal, who is being shamefully persecuted. Why did the minister withdraw the charges against Colonel Drew? Yes, why did he?

Mr. LALONDE (Translation): Order, Mr. Chairman!

Mr. LACOMBE (Translation): Just a moment, we know all about you.

Mr. LALONDE (Translation): I suggest the hon. member is out of order when he refers to the case of Mr. Camillien Houde while the house is discussing the estimates of the Minister of Labour (Mr. Mitchell). He will probably have full opportunity to do so later. I submit the hon. member is out of order.

Mr. LACOMBE (Translation): This is possibly the most elaborate work we can undertake and the work of greatest national import I can tackle.

The CHAIRMAN (Translation): I would ask the hon. member for Laval-Two Mountains to remain within the limits of the matter before the house. He surely has no right to deal with this matter now, but he may do so when the house considers in committee the estimates pertaining to the Department of Justice.

Mr. LACOMBE (Translation): Mr. Chairman, I respectfully submit that we are discussing general estimates, war estimates under a motion which appears on the order paper, and that I have a perfect right to deal with the case of Mr. Camillien Houde.

Mr. LALONDE (Translation): The hon. member has no right to broach that subject.

The CHAIRMAN: I have expressed my opinion.

Mr. LACOMBE (Translation): I know the Liberal member is too skittish, he who defeated Mr. Bourassa, the most independent and truly Canadian man who ever lived.

The CHAIRMAN (Translation): Order! I would request the hon. member for Laval-Two Mountains to abide by the decision I have just given. With his parliamentary experience, the hon. member should realize that this is not the time to discuss the estimates of the Minister of Justice. I do hope he will obey this ruling. Otherwise, I shall be compelled to resort to other means.

Mr. LACOMBE (Translation): Mr. Chairman, I admire your sense of equity and of justice. I realize that your decision does not reflect your personal feelings and I know full well that there are members here who are interested in preventing me from having my say. It was not the Minister of Justice who raised the point of order.

Mr. LALONDE (Translation): The last words of the hon. member might convey the impression that I am one of those who are interested in seeing that certain things should not be revealed in parliament, in connection with Mr. Camillien Houde.

Mr. LACOMBE (Translation): I submit the hon. member has no right to interrupt me without my permission. I shall pay a visit to the hon. member for Labelle the next time elections will take place in his riding.

The CHAIRMAN (Translation): The hon. member for Laval-Two Mountains has said that the Chair may be influenced in its rulings some way or another. I will tell the hon. member that the rulings of the Chair have never been subject to any influence whatever on any occasion or at any time, and I ask him to withdraw his statement.

Mr. LACOMBE (Translation): What must I withdraw, Mr. Chairman?

The CHAIRMAN (Translation): I understood the hon. gentleman to say that the Chair was influenced in its rulings. I wish to say to the hon. member that he must withdraw the remarks he has made in this connection. Never, under any circumstances, has the Chair been influenced in any way when giving its ruling.

Mr. LACOMBE (Translation): I have never said you had been subjected to any form of influence. I said you were just and equitable. You may ask the Clerk of the House and those who have heard me. They know what I said. I have nothing to withdraw. I will say what I have to say in this house; I have already been ordered out of this chamber; if it is necessary I will suffer to be turned out once more, and I don't care a rap.

Mr. LALONDE (Translation): Good riddance!

Mr. LACOMBE (Translation): As I said a while ago, these individuals are digging into our revenues with their two hands; they are celebrating in the name of those who toil and labour, nay in the name of liberty itself. Here, those liberties for which we have fought so hard during centuries are thrown overboard. The most sacred of these liberties is done away with, namely, freedom of speech in this British country of ours.

I now wish to call the attention of the house to the abuses which are taking place in our war industries. I have already called the labour minister's attention to all these irregularities and injustices which have been brought to light in these plants. Bribery is still a common practice. Labourers are laid off while persons who are financially independent are being given the best positions. It is currently repeated,—and I think I ought to know since more than 2,000 of my voters are engaged in war work in the Bouchard plant,—that one must pay ten or twenty dollars in order to obtain and to keep one's job. It is a shame in a country where our workers are overburdened with taxes. As I did more than two years ago, I suggest again to the government that all war industries should be placed under the supervision of the Royal Canadian Mounted Police.

Let us now speak of the labour in those industries. Through lack of materials the workmen employed in the war industries have been out of work most of the time.

Mr. LEDUC (Translation): That is not true.

Mr. LACOMBE (Translation): If it is not true, prove it. I ask the hon. member for Wright to rise from his seat and to prove his assertion if he can do it, and I invite him not to stand behind the curtains. Name those industries.

Mr. LEDUC (Translation): About those industries, no workmen have been out of work for lack of material. The hon. member is saying those things. Let him prove them.

Mr. LACOMBE (Translation): In reply to the hon. member for Wright I state once more that the workmen were out of work for lack of material. Hundreds of workmen were sleeping on the job at the Bouchard plant, at Ste. Therese, fifteen miles from my own town. They had no lumber, no nickel, nothing to work on. Let the hon. member pay a visit to my beautiful county. I shall be glad to show him round the lovely touristic region. Then, we shall go to the Bouchard plant where he will see for himself all the extravagance going on in that war industry. I once said to the hon. member for Wright that he would sooner or later be appointed to the senate—he would not get a judgeship because he does not belong to the legal profession as does the hon. member for Labelle before whom I might perhaps be fortunate enough to appear.

Mr. LALONDE (Translation): On a question of privilege, Mr. Chairman, the hon. member has no right to impute motives.

Mr. LACOMBE (Translation): I am not insinuating anything. I hope he may be appointed a judge in the Terrebonne district.

Mr. LALONDE (Translation): I would ask you, Mr. Chairman, to order the hon. member for Laval-Two Mountains to confine his remarks to the matter before the committee.

Mr. LACOMBE (Translation): It is an indiscretion, Mr. Chairman, possibly because judges are appointed by the Minister of Justice, not by me. I am the leader of a small party, the only leader—

Mr. LALONDE (Translation): Very small.

Mr. LACOMBE (Translation): Very small, but also very great.

Mr. LALONDE (Translation): Tiny.

Mr. LACOMBE (Translation): Great oaks from little acorns grow. I hope that my good friend from Labelle may get a judgeship as soon as possible because otherwise he will take a good licking in his own constituency and I would not get much satisfaction in ensuring his defeat for he is a good friend of mine, but we will have to stick to our principles and fight him.

Mr. LALONDE (Translation): The hon. member is welcome to it.

Mr. LACOMBE (Translation): Is it a challenge?

Mr. LALONDE (Translation): Yes.

Mr. LACOMBE (Translation): I am delighted to accept the challenge.

Mr. LEDUC (Translation): The hon. member has been so successful in some by-elections that he must be right.

Mr. LACOMBE (Translation) We shall see. The hon. member should not raise the question of by-elections, because that would hurt the Minister of Justice, his leader. We will have the opportunity to talk about it later. I have raised in this house the question of fake voters' lists used in the constituencies of Quebec East and Montreal-Saint Mary and I was prevented from arguing the point.

Mr. ST. LAURENT (Translation): I ask that the rules be applied, Mr. Chairman. The hon. member is absolutely out of order in mak-

ing these innuendoes which he knows as well as I do to be false, while the estimates of the Minister of Labour are before the committee. I ask you to call him to order.

The CHAIRMAN (Translation): On the point of order raised by the hon. Minister of Justice, I again remind the hon. member for Laval-Two Mountains that he must confine his remarks to the question before the house and I hope that he will abide by my ruling. Otherwise I shall have to name him.

Mr. LACOMBE (Translation): Mr. Chairman, if I said anything displeasing to the Minister of Justice, it is because his friends have raised a point of order. At the opportune moment we will discuss all that and we will talk about the elections held on February 9, 1942, in Quebec East and Montreal-Saint Mary. It is a long time since that happened, but we have kept the voters' lists as well as the telegrams.

Mr. Chairman, what about the useless cuts of lumber and construction waste which are prevalent in those war plants? At a time when there is such a shortage of fuel wood and lumber, the government takes no notice of such disgraceful abuses. Therefore, it is our duty to expose those prodigalities, all of which are detrimental to Canada. Next winter, needy families will freeze because of the government's lack of foresight. I can see the hon. Minister of Labour smiling, his sympathetic face is just beaming. The poor people of the country will not be smiling then. The hon. member for Labelle will not be smiling either, he who, together with two other French-Canadian members of the House of Commons, has applauded the statement of the Minister of Justice to the effect that Houde should remain in the internment camp. What kindness of heart! That afforded pleasure to the hon. member for Labelle.

Mr. LALONDE (Translation): Certainly. I hope that he will remain there for a long time.

Mr. ST. LAURENT (Translation): Mr. Chairman, does your task consist in merely expressing a wish that hon. members confine their remarks to the matter under discussion, or should it imply that hon. members cannot everlastingly revert to it despite your ruling?

The CHAIRMAN (Translation): The chairman of the committee is in a rather delicate position. There are some rules which the chairman is bound to enforce under penalty of losing the confidence of the committee. I hope the hon. member for Laval-Two Mountains will find it possible, under the present circumstances, to confine his remarks to relevant matters. This is the last time I appeal to the good will of the hon. member.

Mr. LACOMBE (Translation): Mr. Chairman, we are now debating a resolution appearing in the orders of the day. This is all I have in front of me. As a lawyer, and the hon. Minister of Justice is a very brilliant lawyer, he knows that I have to confine myself to the terms of the resolution. This is what I am doing. I shall read it to the committee:

Resolved,—that it is expedient to introduce a measure to provide, *inter alia*,

Among other things, I might say, for the benefit of those who do not know Latin.

1. That sums not exceeding $2,593,333,333.34 (being two-thirds of $3,890,000,000) be granted to His Majesty towards defraying any expenses or making any advances or loans that may be incurred or granted by or under authority of the governor in council during the year ending March 31, 1944, for—

(a) the security, defence, peace, order and welfare of Canada;

Here is a very broad paragraph; however, I see nothing in it of a nature to protect agriculture.

(b) the conduct of naval, military and air operations in or beyond Canada;

(c) promoting the continuance of trade, industry and business communications.

Am I not entitled to discuss what is taking place in the war industries? Am I not entitled, Mr. Chairman, to discuss public order and Canadian legislation; am I not entitled to speak of the internment of Mr. Camillien Houde, under such an item as this?

Mr. ST. LAURENT (Translation): Order!

Mr. LACOMBE (Translation): The Minister of Justice is a great lawyer.

Mr. ST. LAURENT (Translation): I understood a while ago, that you had given a ruling, Mr. Chairman, and that the hon member was not entitled, at this stage, to discuss the internment of Mr. Houde.

The CHAIRMAN (Translation): I request the hon. member for Laval-Two Mountains to resume his seat.

Mr. ST. LAURENT (Translation): The hon. member is dealing again with the matter and his whole argument purports to show that your ruling was unwarranted. On a point of order, I submit to you that once you have given a ruling, it is not in order for an hon. member to question it. He must simply abide by it.

Mr. LACOMBE (Translation): I realize that the hon. the Minister of Justice, while he is an outstanding barrister, acting as he does as solicitor for the bank of Montreal, the Canadian Pacific, and every monoply and trust, has not much parliamentary experience. He ought to know that I am entitled to discuss here a

matter of public concern, a legislation of a public character, under which a Canadian citizen has been interned. He ought to know that. In any case, Mr. Chairman, if I am prevented from speaking, that is all right, but I know that the Minister of Justice wishes to withhold something.

Some hon. MEMBERS: Order, order.

Mr. LACOMBE (Translation): For my part, I will not withhold it. I will disclose it. I will produce the document if he refuses to bring it down.

The CHAIRMAN (Translation): May I ask the hon. member for Laval-Two Mountains to resume his seat so that I can give my ruling. The hon. member was to a certain extent within his rights in speaking on the resolution that is now before the committee, but I do not know whether he was in the house when, during the discussion on the four preceding departments, the committee unanimously decided that each item be taken up separately. The estimates of the Department of Labour are now before the committee. The chair must follow the directions given by the majority or unanimously decided upon by the committee of the whole. That is why I earnestly request the hon. member for Laval-Two Mountains to confine his remarks to the items of the Department of Labour. When the estimates of the Department of Justice are again before the committee, he will have every opportunity to discuss all matters pertaining to the administration of justice.

Mr. LACOMBE (Translation): Mr. Chairman, while I duly respect the ruling of the chair, I am quite surprised that you should deny me the opportunity to discuss this matter, in view of the fact that the leader of the Cooperative Commonwealth Federation has been allowed to deal with matters of general policy this afternoon.

Some hon. MEMBERS (Translation): Order.

The CHAIRMAN (Translation): Order.

Mr. LACOMBE (Translation): There are two standards of justice here.

The CHAIRMAN (Translation): Order. I would ask the hon. member for Laval-Two Mountains to postpone this discussion until the estimates of the Department of Justice are before the committee. He may be sure that every opportunity will then be afforded him. Rules are absolutely necessary and must be applied, if our work is to proceed in a practical and logical manner. I know that the hon. member for Laval-Two Mountains would be the first to support such a course.

Mr. LACOMBE (Translation): The hon. member for St. Mary (Mr. Fauteux), who is in agreement with the hon. member for Labelle and with my fellow-member for Wright, has attacked members of the Progressive Conservative party, charging them with having demanded conscription and with being themselves responsible for the present labour shortage. Let us set the facts in their true light, Mr. Chairman. On February 19, 1942, I moved in this house an amendment to the address, wherein I demanded the exemption of farmers and fishermen and workers in war industries. The hon. members for Wright and for Labelle were the first to vote against it, and on the very day he entered parliament, together with the hon. Minister of Justice, the hon. member for St. Mary also voted against my amendment. A year ago to the day, the hon. member for Richelieu-Vercheres (Mr. Cardin) moved another amendment calling for the exemption of farmers, and the hon. members all voted against it. Let there be an end of this tragic game, Mr. Chairman. Let the hon. members be sincere once for all. Actions only are important. Let there be no more great speeches. Let the government help the farmers, because they know quite well that our armies could not live without food. Seeding is scarcely completed in many provinces of eastern Canada.

Mr. LALONDE (Translation): Due to bad weather.

Mr. LACOMBE (Translation): Due to bad government. Once again the Liberal government will not be in a position to say that Providence is with them. They used to say: We have a bountiful harvest; Providence is with us. Providence has forsaken them for very good reasons.

Mr. LALONDE (Translation): For the Canadian party.

Mr. LACOMBE (Translation): As we, ourselves, have forsaken them for similar reasons. As for my young friend the hon. member for Labelle, I wish him a long parliamentary career.

Some hon. MEMBERS (Translation): Order!

(Text) Mr. MITCHELL: I rise to a point of order, Mr. Chairman. This is a war appropriation—

Mr. LACOMBE (Translation): Louder please. Do not speak to the Chairman. I want to hear something too.

Mr. MITCHELL: This is a war appropriation, and if my hon. friend wants to fight a private war across the floor of this house with one of his fellow members I suggest

it would be better if he would settle it out in the lobby and let us get on with the business of the house.

Mr. LACOMBE: I will answer the minister. I have the resolution before me. Perhaps I may not be required to read it because it is very long, but I submit, Mr. Chairman, that I am justified in discussing this resolution.

Mr. MITCHELL: I ask for a ruling on the point of order, Mr. Chairman.

The CHAIRMAN: The hon. member for Laval-Two Mountains has still five minutes to go. A fairly wide latitude has been allowed the previous speakers in this debate, and I must allow the same latitude to the hon. member.

Mr. MITCHELL: That may be true, Mr. Chairman, but I do not think there is any justification for a ruling that a man can be out of order for another five minutes. That does not add up to me.

The CHAIRMAN: The minister cannot criticize the Chairman's ruling. He may appeal. I have followed the debate closely; when a point of order was raised before, I tried to keep the hon. member in order, and for the last few minutes of his speech he has been in order.

Mr. LACOMBE (Translation): Mr. Chairman, I shall not take up the full five minutes to which I am still entitled, but, with your permission, I would like to relate to the committee a very bewildering anecdote. It is not a product of the hon. member for Labelle's imagination; it was thought out by the hon. member for Montreal-St. Mary. He has claimed that Progressive Conservatives, the Cooperative Commonweath Federation members and the Social Crediters alike had demanded the implementation of conscription by the government. The hon. member for Montreal-St. Mary must have known that conscription was already on our statute books.

Mr. LALONDE (Translation): It has not been enforced.

Mr. LACOMBE (Translation): It is being enforced since June 19. What does the hon. member for Labelle think of our contingents posted in Newfoundland, the Caribbean and Jamaica. Let us not delude ourselves; it is being enforced. The hon. member for Montreal-St. Mary condemns conscription after having voted for it when section 3 of the mobilization act was dropped and he still approves of it when he supports the policies of the present government. Let those who have deprived our farmers of their help bear their own responsibility. I shall have done my duty in this house; that is all.

(Text). Mr. MacNICOL: Mr. Chairman, after listening to what I may describe as a burlesque if that is parliamentary, for almost forty minutes, I wonder if those who listen to us believe that we really know there is a war on and that a great many of our brothers and kin are dying or at least fighting for us overseas, offering their lives to save civilization and Canada besides. The Minister of Labour has a most arduous and difficult task in trying to obtain the men to provide the munitions for our boys overseas, and I for one want to help him get on with this work.

I shall speak only briefly. I have no apologies for speaking in this debate. I represent no fewer than 45,000 to 50,000 honest-to-goodness industrious, hard-working men and women engaged in the great factories in the riding of Davenport, and I would feel that I was not doing my duty if I did not say a word or two on this subject.

I want to help the minister as much as I can. When he was appointed Minister of Labour I expressed my strong approval, for whatever faults he may have—I am not going to talk about his faults—he is at least a labour man. He has served in the ranks of labour and in industry and ought to be as well qualified as any man to hold the position he occupies.

There is a great man-power problem; there is no question about that, and the Minister of Labour knows that better than any other member of the house. The Minister of Munitions and Supply said just a few days ago that he could place 40,000 men in industry. That was an arbitrary figure. He might have meant 60,000 more or less. In any event there is a man-power problem. I should like to make it easier for the minister. I have been in industry and labour most of my working life and know something about operating industry and about working in plants. There are several ways in which industry can be speeded up, and I shall speak only of industry. Others have spoken of other callings in which our citizens are engaged and have advanced arguments as to why more men should be made available in those callings. But I confine myself to industry.

Production can be increased in four ways. First, by speeding up the machinery in the plants. I do not know whether that would be advisable under present conditions because many of the folks working in industry are elderly and many others are young. The most experienced men and the more physically fit are not all in industry, but countless thousands have joined the armed forces, so that I doubt very much whether speeding up the machines

would increase production. It would probably do an injury to the two classes I have mentioned.

The second way to speed up would be for man-power to speed up, but I doubt whether you can do much there. The youths working in the plants are not experienced enough to speed up, and the elderly men are past their day for speeding up. I am afraid that an endeavour to speed up man-power would mean more accidents, and one can see by reading the papers and looking over the lists of those drawing compensation that there are too many accidents now.

The third method by which we can increase production is by reducing absenteeism. This is a much greater problem than perhaps many of us realize. The minister is not to blame for absenteeism. I do not know that he can do anything to reduce it. But there is altogether too much absenteeism. A gentleman told me when I was home last, and he is a man who should know, that in the plant where he was, at least 10 per cent of the possible productivity of the plant was lost through absenteeism. I asked him for the reason, and he said that if the workmen worked six days a week or put in a full week they received so much pay and had to pay so much income tax. But if they worked only four or five days a week no tax was deducted from their pay cheques, and they felt, "We might better take a holiday than work because we shall be just as far ahead. If we work another day we shall have the tax to pay." How that is to be overcome I do not know. I see the minister nods his head; he recognizes that it is a problem, and he deserves the sympathy and advice of anyone who can give him advice on how to reduce absenteeism. Perhaps the Minister of Finance could so adjust workmen's tax matters that the Minister of Labour would have a chance to work his whole labour organization to the limit. That is one way by which productivity can be increased.

The fourth method is to get more workers. I do not know how that can be done. I assume the government is trying to obtain all the workers it can. If every riding in Canada had enrolled as great a percentage as has Davenport in the army and industry there might be another million available. Why are they not enrolled everywhere? I do not offer any comment. It is not my duty to say where workers can be got. But the fact is that nearly everybody in my riding has been enrolled in one form or another, including many who should not have been called upon. When I was home last I went to see a young man who has flat feet, a weak back, and is otherwise physically unfit; yet he had a paper—the second one—summoning him to appear for enrolment.

Mr. MITCHELL: Would that be for medical examination?

Mr. MacNICOL: Well, he had been down and was classed as C2, but he told me that they were calling him again, even though he had formerly been classified in a non-military category. This man operates with his mother a pressing and cleaning parlour. For the life of me I cannot understand why such men are called to serve either in the army or anywhere else. Even if the pressing and cleaning business is a non-war work, somebody has to look after the mother and somebody has to pay taxes to keep the war machine going. This man is only one of several with whom I have come in contact, and whom I could name, who are in a like situation. It is a big problem, and I know that, under the circumstances in which they are working, the department have their hands full to deal with it.

I read last evening in one of the newspapers a dispatch from Fredericton of June 22, which is in part as follows:

Claims knot in man-power Ottawa fault

Could have avoided muddle by adopting total war plan years ago, says legion head

Fredericton, June 22—If the dominion government had accepted the Canadian Legion's plan for "total war" three years ago, Canada would not be handicapped at present by a "terrible man-power muddle," declared Alex Walker, national president of the legion, in addressing the annual convention of the legion's New Brunswick command to-day.

I am not so conversant with the situation as to know all that President Walker knows. He is only one of a number, including my own leader, who have stated that there is a man-power muddle. This has been denied by hon. members on the other side. Anyway the problem is of major magnitude, and I feel it my duty not to throw fuel on the fire or cause any trouble that I can avoid. I would rather help in some way or another to solve the difficulty.

I have thought a long time that some way should be found of eliminating strikes. I am not finding fault with those who strike, or with the employers of the strikers. There must be faults on both sides. Labour is not wholly to blame; industry, certainly, is not all to blame. I have been wondering whether the minister during the recess, when the rest of us are away, would call a parliament of industry and labour. Perhaps if it were brought together in this chamber, it could

help to solve the problem. Let leaders of industry and labour talk back and forth across the floor, and let the minister, his officers and his departmental heads try to bring these two great classes together, at least until the termination of the war. The winning of the war is so huge a task that not an hour should be lost in any factory, mine, or elsewhere; every man or woman should be working to the extent of his or her capabilities. How are we to get them to do that unless we eliminate the causes of trouble between them? I regard with considerable admiration Senator Wagner, of the United States, a great representative of labour who did an outstanding job in that country. I like particularly the preamble of the so-called Wagner act, which reads:

An act to diminish the causes of labour disputes burdening or obstructing interstate and foreign commerce, to create a national labour relations board and for other purposes.

I have heard, although I am not familiar with the facts, that a national labour board has been set up in this country; if not, perhaps a board of this kind on the United States model might be helpful to us. That is not to say that the United States is free from strikes. But it is well to remember that, with their vast population, they have difficulties which we in Canada do not have to meet. We have our own problems; they have theirs. Perhaps all of us, working together, might succeed in removing causes of friction at any rate until the war ends.

Section 1 of the Wagner act reads:

The denial by employers of the right of employees to organize and the refusal of employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife and unrest, which have the intent or necessary effect of burdening or obstructing commerce.

These words are absolutely true. We have not a collective bargaining act applicable to all Canada. Some of the provinces, I understand, are enacting such legislation. But would it not be a great deal better if the federal labour department provided a form of collective bargaining act which would be suitable to all the provinces? I cannot see any objection to collective bargaining, and I worked for many years in a big industry. Certainly the grievances of the employees would be voiced a little more emphatically. Apparently labour is stirred with the desire for collective bargaining. It is enforced in the United States and elsewhere; the Ontario government has passed a collective bargaining act; why should we not have similar legislation applicable to all Canada? If industry is not freed from the threat of strikes and workmen are not freed from the necessity of going on strike, I cannot see much hope that this country will increase its productivity.

An increased productivity should be the main objective. Certainly when men are contented there are fewer accidents in factories, and when they are discontented there are more. I ought to know because I have spent many years in association with workers in factories. When men are receiving a fair return for a fair day's work and adequate rest periods they are not likely to cause trouble. Many factories, recognizing this fact, have such rest periods, and I suggest that it should be the practice throughout the country. There should be a rest period in the forenoon and again in the afternoon. Some factories serve tea to their workers and there are no labour difficulties there. Everyone is satisfied. Naturally the workmen in other factories, observing this, and not enjoying the same privilege themselves, become dissatisfied.

I urge the Minister of Labour to take this point seriously into consideration. I have confidence in him, and I may tell him that I have not had confidence in some other Ministers of Labour. I have confidence in men who know about labour at first hand, but I have little confidence in those whose knowledge of labour and labour conditions is purely theoretical, because there is a great deal of difference between knowing something as a result of reading it in a book and knowing the same thing as a result of practical experience. I suggest to the minister that it would be a very good thing if he would try to bring about throughout the country such conditions as I have mentioned.

Why should there not be a rest period, morning and afternoon? Experience shows that men and women who enjoy such a period do better work. Employers who give their employees rest periods assure me that the workers, both men and women, produce more. But it seems to take some people a long time to learn the importance of fair and honest treatment of men and women working in industry. Just as the management would like to be treated if positions were reversed, so should the people working under them be treated. That is one suggestion I offer the minister.

And now one further word before I conclude. I do not know whether there is a man-power muddle, but all the authorities seem to say that there is. Boards here and there, annual meetings, conventions and so on are all discussing the man-power problem

and talking about the muddle. But that does not help the minister at all. What is wanted is something practical that will give him real assistance. That is imperative, and I will close with this remark about the threatening coal emergency. Do the Canadian people realize what will be staring them in the face three or four months hence? The weather is hot now and it will be for two or three months more, but about the middle of September people will certainly want coal, and it is no use telling them that they will have to do without heat. If they cannot heat their houses, they will have to call in the doctor and health will be impaired all round.

The question of course is, what can we do to help the minister to obtain men to send to the coal mines. In this connection I may remark that the member for Cape Breton South (Mr. Gillis), in my opinion, made a fair speech the other day. He strikes me as being a sane labour man, the kind I hope I am myself. I have been identified with labour for many years, and the fact that the hon. member and I are of different parties is neither here nor there, so long as our intentions are for the good of the country. We are all Canadians when our lives are threatened, not only overseas but by a shortage of coal.

I wish I knew some way in which I could help the minister to provide men to produce the coal we must have. It certainly is a problem. I notice the following press dispatch dated Winnipeg, June 24, under the heading, "Coal Dealers Plead for Aid—Ask Mitchell Draft Men on Compulsory Basis." This dispatch states:

> Labour minister Mitchell has been asked by the coal dealers of Winnipeg to draft men on a compulsory basis to handle deliveries here.

That is merely deliveries, so that it is getting very serious if we have trouble not only in production but at the delivery end. The dispatch states further:

> Dealers in greater Winnipeg are reduced to skeleton staffs and utterly unable to make deliveries to thousands of consumers who have ordered fuel.

That does present a grave problem, and I only wish I knew how I could help the minister. I want to see him succeed and overcome the difficulties with which he is now faced. There is a huge man-power problem before us. Whether it is a muddle or anything else, the problem is there, and if I have said anything that will help him in the slightest degree I shall consider myself repaid.

At six o'clock the committee took recess.

[Mr. MacNicol.]

After Recess

The committee resumed at eight o'clock.

Mr. ISNOR: The statement which has been distributed shows a total of $21,558,192 as the Department of Labour's portion of the war appropriation, and the first item of $36,882 covers the coordination of ship loading and unloading operations at the port of Halifax. I do not wish to deal with these estimates in a general way; I want to speak to this item alone, as it has to do with that particular activity in the port of Halifax, because I am interested in learning what has taken place in connection with the loading and unloading of supplies for overseas.

I recall that when Mr. Justice Thorson was chairman of the special committee on war expenditures he wrote all members of parliament asking for suggestions as to what might be undertaken by his committee, and on that occasion I replied as follows:

> In reply to your letter of March 15 addressed to the members, requesting suggestions as to any subject that might usefully be inquired into by your committee, I feel from perusal of the names of the members composing your committee that careful study will be made from every possible angle as to the expenditures for the defence services and for other services directly connected with the war. But I feel that your reference also extends to the probabilities and possibilities of methods whereby savings can be effected, and with this in view, I wish to place before your committee the question of investigating the most direct and advantageous route from which to ship supplies between Canada and Great Britain.
>
> I believe that, if any moneys are to be expended to increase facilities to handle the supplies in the quickest possible manner, said expenditures should be made at a port which can give full service for the entire 365 days of the year. I think, on investigation, you will find that the port of Halifax is the shortest route both to London and to Liverpool; and, as this port is open the year round, and is considered one of the finest, if not the finest, harbour in the world, every facility should be provided to prevent any bottleneck existing that would slow up shipment of supplies that are so badly needed.
>
> We know of the demand for planes, guns, ammunition and supplies, and we know that the production of all these is being speeded to the highest possible point; but there is a question in the minds of many as to whether as much consideration has been given to the transportation problem, both by rail and water, as is necessary; and it is because of this that I feel that your committee would be justified in going into the matter quite fully, with a view to recommending to the government that added facilities should be made on both the western side of the harbour as well as the eastern, and that a certain amount of goods should be switched at Waverley junction and brought into the Dartmouth side so as to avoid any congestion which might otherwise exist on the Halifax side of the harbour.

I also believe it comes under the jurisdiction of your committee to look into the question of speedy dispatch of ships and facilities for the repairs of these ships, so as not to unduly delay their departure. You have on your committee men who are familiar with the questions both of ships and repairs and the necessary facilities to expedite speedy handling of goods, and I would respectfully suggest that a subcommittee be set up to inquire into and report on this important phase of our war activities.

That letter is signed by myself. I brought this matter to the attention of the committee because I felt it to be important, and I considered that it should be given attention in order that supplies to our troops overseas might be speeded up. I also wanted to impress upon the committee that Halifax was the shortest and quickest route for the shipment of our supplies to Britain. I recalled at the time that a question had been placed on the order paper by the hon. member for Victoria-Carleton (Mr. Hatfield) as to the average sailing time of a sixteen-knot vessel from the port of London to three eastern Canadian ports. In reply, the following information was given. It would take such a vessel 203 hours to go from London to Montreal, 182 hours to go from London to Saint John and 172 hours to go from London to Halifax. So that by shipping goods from Halifax to London there would be a saving of thirty-one hours as compared with the port of Montreal.

I believe the present minister must have had that in mind, because when he took over his duties he visited Halifax where he met the longshoremen and went into the matter of the loading and unloading of goods, the turning of ships and the dispatch of ships in order to bring about speedier handling of goods. As an outcome of his investigation he put through order in council P.C. 3511, dated April 30, 1942, under which he was given authority to appoint a controller of loading operations. The order in council also outlined the duties of the controller and gave him authority to give proper direction as to how the work was to be carried on; to decide any disputes arising in connection with such action; to conduct a registration of longshoremen, and so on. Then the longshoremen of the port of Halifax, a very fine body of men numbering some 1,500, were requested to take in an additional 600 men, to be known as temporary longshoremen. The order in council also set out the procedure to be followed in making orders for working at night and on holidays. The controller was to recommend to the minister any changes or improvement in shipbuilding methods and facilities which might bring about more speedy or better methods of handling goods.

Another matter which was covered in this, and which the minister took up at the time he was in Halifax, was the method of hiring individuals. The new method was set out in the order in council, and it is for that reason that I wish to inquire from the minister as to the results brought about by the order in council, and as to whether the port controller, and the new system which has been inaugurated, are bringing about the results the minister desired in that connection.

I should point out that Halifax is one of those ports which come under the control of the national harbours board, and I believe it is the only port under their control which shows a net operating surplus. For instance, last year the port of Montreal showed a deficit of $1,734,429.42; the port of Quebec showed a deficit of $1,561,532.22; Saint John showed a deficit of $243,039.52, while Halifax showed a net operating surplus of $232,436.91.

I believe the size of the port at Halifax is well known. Hon. members will be familiar with the fact that it is a fine harbour, and today it is one of the busiest ports in the world. The safety in which ships can sail in and out of the harbour, and the speedy manner in which ships of any size can dock, are points worthy of consideration. I recall, for instance, that when in 1939 the king and queen were leaving Canada they sailed from the port of Halifax, on the *Empress of Britain*. Since that time the *Empress of Britain* has been lost. But that large ship of 36,000 tons was able to leave the dock and make a complete turn in the harbour without the assistance of any tugs whatsoever.

These are points which must be considered not only by the Minister of Labour but by the Minister of Munitions and Supply when they are issuing directions as to how supplies are to be sent overseas. This afternoon the hon. member for Rosetown-Biggar (Mr. Coldwell) raised the question of invasion. I do not know how quickly that will take place, but it is certainly being talked about at the present time. Undoubtedly when it does take place reinforcements will be needed; added supplies of food will have to be sent overseas, and munitions and other types of supplies will be required in large quantities. These must be handled in the fastest possible way, and that is the reason why I bring to the attention of the Minister of Labour these points respecting Halifax harbour.

Halifax is a very busy seaport. Not only has the population of the city increased by something like 30,000 or 35,000, apart from the armed forces, but industries have shown

a marked increase in their number of employees. For instance, the Halifax shipyards, on the Halifax side showed an increase in 1942 over 1941 of 147·93 per cent. Their branch in Dartmouth, on the eastern side of the harbour, showed an increase of 67·71 per cent in the number of employees. The Halifax dockyard, where our ships of war are refitted, has increased the number of employees to such an extent that last year it showed an increase of 148·4 per cent. Clarke Ruse Limited of Dartmouth showed an increase of 102·39 per cent. These four companies alone showed an average increase of something like 91·60 per cent increase in the number of employees.

I was surprised the other evening to hear the hon. member for Broadview (Mr. Church) speak of the railways of Canada in the manner in which he did. We who come from the eastern section of Canada are familiar with the efficient manner in which the Canadian National Railways in particular have handled freight going into Halifax. They have made a wonderful showing in handling goods, and in having a sufficient number of ships at hand to take care of the goods brought to the port by the railways.

To give some idea of the business carried on in Halifax I would point out that the revenue for that port last year was $1,832,318, as against $1,593,479 in 1941, or an increase in revenue of the national harbours board of $238,839. These figures will serve to show the volume of goods being shipped through that port.

There is one other indication of the amount of business being done at Halifax, namely, the amount of freight handled, as shown in the report of the Canadian National Railways for 1942, under the heading of "operating revenue in respect of freight." For 1942 the figure is $284,427,334.25, as against $236,519,309.12 in 1941, or an increase in handling of freight by the Canadian National Railways of $47,906,025.13. I would not say that this increase is made up entirely in the eastern section of Canada, or the Atlantic region, but a great part of it is. The Atlantic region is particularly busy.

I would ask the minister to outline to the committee just what action he is taking, and the results brought about at the port of Halifax in regard to the handling of supplies, as provided in this particular item. Last year there was an amount of $28,600 set forth for loading and unloading ships. This year the amount is $36,882, or an increase of $8,282. While the minister is giving information as to the steps taken by his department since he took over his duties as Minister of Labour, perhaps he would also let us know something about the floating equipment at the port of Halifax, as to who owns it, the manner in which it is rented out, and the revenue derived therefrom. I might say for the benefit of hon. members that prior to 1939 both incoming and outgoing freight was handled over our piers. These are fine and well-equipped piers, and they have the proper facility to handle supplies both incoming and outgoing. But on account of the exceptionally large amount of goods for shipment overseas it was necessary to bring in certain floating equipment. It is in connection with the floating equipment I would ask the minister to give us some information. How is this new scheme working out? What is the amount of goods handled by it, and the revenue derived therefrom?

I should like the minister to give particulars of the appointment of the port controller which was covered by the order in council. Could the minister give us his name and the name of any assistants who have been brought in to handle freight at Halifax? Are they carrying on their duties satisfactorily?

I said that I did not intend to deal with this general item but rather to confine my remarks to item No. 1. I do this because I want definite information in regard to this item, and I was hoping that we might get started on this one item and then go on to the others in an orderly manner, thus saving considerable time and enabling the minister to answer our questions in an intelligent way. That cannot be done when we jump all around as we have been doing. I would appreciate it if the minister could give me this information in regard to these men and whether they have brought about any improvement in the condition there.

Mr. MITCHELL: In reply to the senior hon. member from Halifax, I would say that just over a year ago when great shipping losses were occurring and there was an urgent need to turn ships around in Halifax as quickly as possible, I visited that port and discussed the whole matter with the longshoremen's organization. Arising out of my visit, arrangements were made for the setting up of a hiring hall and the passing of an order in council regulating the loading and unloading of ships. This has resulted in a tremendous increase in the tonnage handled by the port of Halifax. A controller was appointed, the dean of the law school of Dalhousie university, Mr. Vincent MacDonald, who is now assistant deputy minister of labour, and later Captain R. G. Perchard took over his duties. Mr.

C. W. Train of Vancouver was engaged as special consultant and Captain W. F. Spring was appointed as loading superintendent. After consultation with the union we appointed D. C. Reid, H. W. MacLeod and F. R. Penny as dispatchers in connection with the new set-up.

I have known the heads of the longshoremen's union for many years. I addressed them when I was there in Halifax. I told them that any amendments which it might be found necessary to make to their agreement would be cancelled at the conclusion of the war. In the organization of this undertaking I think tribute should be paid to Mr. Joseph Ryan, international president of the longshoremen's union in New York, which is the parent organization of the longshoremen in Halifax. I do not need to tell the committee that the longshoreman's work is much like that of a miner. It is a hazardous occupation. In some respects it is a highly skilled occupation, because it takes skill to stow a ship so that she will not capsize when she encounters weather in the open sea.

In addition to the arrangements that have been made already, we intend to set up a labour pool of about 750 men in Halifax in addition to the longshoremen who are at present engaged there. This will be a mobile labour pool for use in other vocations or callings and in the loading and unloading of ships in other ports when it is needed. The suggestion was received by the labour department from certain quarters that we should use army labour battalions as is being done in the United States, but we felt it would be better to develop this pool on a civilian basis. The men are to be paid the regular union rates of wages. Housing accommodation will also be provided. I want to make it clear to hon. members that this pool will not be used in the loading and unloading of ships until the men in the organization at Halifax have been given an opportunity to go to work.

As I said, the pool will be used in emergencies, when there are no other men to load and unload ships at Halifax or any other port. These 750 men are to be given a guaranteed work week of forty-eight hours, which I believe is the standard union week in that community. It should be pointed out of course that they will have to be available for work in order to get the forty-eight hour guarantee. This is somewhat similar to the arrangement that exists in Great Britain. I do not need to tell the committee how important it is to turn ships around in Canadian ports under present conditions. A speed-up of your turn-around is equivalent to building ships, and building them in a much more simple manner than on the slips. The British people have had a similar situation in their country.

Perhaps I could give another instance. When the Germans and Italians were defeated in Tunisia it was estimated that that was equivalent to 2,000,000 tons of shipping. Anyone who has had experience with shipbuilding will appreciate the benefit we have derived from that defeat. By turning ships around faster in our eastern seaports we are in effect building ships but, what is more important, it will be of untold benefit to the fighting forces of this country on account of the possible developments that are shaping up in Europe. I believe we will receive the same degree of cooperation from the longshoremen in Halifax in connection with this new undertaking that we received when the original order was passed which made possible the establishment of a hiring hall under the jurisdiction of the Department of Labour, on the staff of which members of the executive board of the longshoremen's union were appointed to assist in the work.

It is breaking new ground in this dominion, facing up to the labour supply problem in one of our vital industries. Recently in the coal mining situation we made certain guarantees to coal miners who were transferred from their present jobs back to the mines. May I just say in passing that I do not underestimate the magnitude of the problem that confronts us. It is one that would strike fear into the hearts of many men. It is the kind of problem that one cannot solve by running away from it; one has to stay with the ship. I am convinced that if the Department of Labour and selective service are given the chance to organize this thing on a basis on which I think it can be organized, we will amaze this country within the next six months with the progress that we shall be able to make in the allocation of man-power and the solution of the man-power problem generally.

If my hon. friend goes back to Halifax in the near future, I want him to thank the longshoremen of his community for the minister and, I am sure, for the government of this country for the cooperation they have shown in this very important work.

Mr. ISNOR: The minister mentioned a pool of 750 men. He did not mention whether they were longshoremen or freight handlers. Will they be paid the standard wage?

Mr. MITCHELL: They are both. They will be paid the longshoremen's wage, which is higher than the freight handlers' wage.

Mr. O'NEILL: Mr. Chairman, in rising to take part in this debate on the estimates of the Minister of Labour, my mind goes back to a year and a half ago when the minister was first appointed to his present portfolio. As a labour man I had long advocated that the portfolio of Minister of Labour should be filled by a labour man. All labour men advocated that. A great many of our best industrialists also realized that there would be better conditions if the man who headed the Department of Labour understood labour conditions, and they approved his appointment. As a matter of fact, most of the large industries and newspapers of this country approved the appointment of the Hon. Humphrey Mitchell as Minister of Labour.

But the minister, even before he had been elected, started to run into opposition, and after he was elected the opposition became very acute. We can recall an hon. gentleman rising in his place in this house not so many weeks ago, a man who was supposed to be one of the representatives of labour, and demanding the resignation of the Minister of Labour. I do not know how labour people or any class of people can think that a man is going to be able to give his best in a portfolio under circumstances and conditions of that kind.

Let me say that the present Minister of Labour has the toughest portfolio in the whole government at the present time. In addition to that, I believe that his is the most important portfolio. We have to have finance, certainly, and the Minister of Finance (Mr. Ilsley) is doing a wonderful job in producing the finances to run this war and run the country. But his financing would not be of very much use without labour. The same remark applies to the Department of Defence. All branches of the defence department are doing a magnificent job. I do not think any department of defence in any other country is doing any better job than Canada is doing in proportion to her population and the opportunities which have been given to her in the fighting zone. But what use would her army be if it were not for the great army of labourers who produce the engines of war and the foodstuffs that are required?

The Minister of Labour has been criticized on account of his labour policy, or lack of policy. It seems to me that the strength of the submission that the minister has made can best be measured by the criticism that he is receiving. The criticism that he is receiving most since he made his submission is that he used the expression that no better method can be found. I cannot say that I agree with that 100 per cent; but if that were the only thing I could find to criticize in his statement, I would not bother criticizing it. We find labour troubles in other countries, shortages of labour, shortages of man-power. Recently in Australia there was a vote of non-confidence in the government. By the way, they have a labour government, and I think it is doing a good job. Labour troubles and labour shortages are the natural consequences of war, and on this issue the government of Australia was saved from defeat by only one vote. If those things can happen over there with a labour government, I do not think we have anything to be ashamed of if people criticize the labour department here on account of shortages.

I wish to congratulate the Minister of Labour upon the excellent report he presented to parliament and upon the able manner in which he presented it. I have been a member of organized labour for over forty years, and I want to say this to the labour men of this country. Labour probably will play the greatest part of any body of our people in this country in the post-war period, provided, of course, that we do not allow the labour organizations to be destroyed, either from without or from within, by listening to selfish men who, by reason of personal ambition, wish to see their own particular labour organization go up to the top. Mind you, Mr. Chairman, that is a creditable ambition, but it should not be carried so far as to destroy the very thing labour organizations are trying to do. Labour organizations, however, can also be destroyed from the outside by selfish industrialists who do not and will not try to understand labour. They may be successful in destroying labour. But before we permit anything like that to be done, I think we should allow our minds to go back to some of the events which occurred prior to this war. Germany, in so far as the organization of labour is concerned, was one of the most highly organized countries in the world just before Hitler's rise to power. Hitler realized that he could not bring about the conditions which exist in Germany to-day unless he could first destroy organized labour. There were in that country industrialists who could not and would not understand labour. Hitler went along with them to destroy the trades unions, and he made a complete job of it. His next move was to destroy his erstwhile friends the industrialists; he called in the armed forces of the country to aid him against the industrialists, and the industrialists as such were completely destroyed. He then made a purge of the army and shot every general who did not agree with him. He thus became the

king-pin. Labour in this country, Great Britain and the other democracies is playing the same role to-day as in the years gone by, and if it is destroyed it will be a bad day for the country.

Mr. CASTLEDEN: Labour in this country is not organized.

Mr. O'NEILL: I beg the hon. member's pardon?

Mr. CASTLEDEN: Did the hon. member say that labour was organized in this country?

Mr. O'NEILL: No, absolutely not. Probably 15 to 20 per cent is organized in this country; I do not think the percentage is higher than that. But I am speaking of the principle of organization, not the extent to which it has gone in this country. I am sorry that it is not organized.

Mr. REID: Some of the labour is organized.

Mr. O'NEILL: I know, but the great majority of the workers are not. However, I do not think that interjections of that kind tend to help a speaker. So far as I am concerned, while other hon. members are speaking I keep my thoughts to myself, much as I would like sometimes to intervene.

Mr. CASTLEDEN: I was trying to be helpful; I am sorry.

Mr. O'NEILL: Very often I do not agree with the speeches of my hon. friends of the Cooperative Commonwealth Federation. I say that advisedly, although I think the members of that party are endeavouring, as I am, to help the labour situation in this country. I do not want my hon. friend to think I am resentful, but interruptions do tend to break the trend of thought which one is trying to put across.

The evening before last the hon. member for Broadview (Mr. Church) made a remark which I think is indicative of the viewpoint of a great many people. I do not say this in any unkindly spirit toward the hon. member, but it gives an idea of how some people are thinking. He said, as reported in *Hansard*, at page 3980:

> You cannot fight Hitler with registrations. There are no labour unions in Germany; far from it.

His idea seemed to be that because some strikes are going on in this country to-day, the labour unions are responsible. That is far from being the situation. That there are strikes is very largely owing to the fact that labour is not organized. If there were powerful labour organizations, the leaders of those unions could sit round a conference table with the leaders of industry and probably there would not be any lockouts or strikes.

I have been working for the Canadian Pacific Railway company for over forty years, and in all that time I do not recall any lockouts or strikes among the engineers or the firemen. To say that we never had any differences of opinion would be far from the truth. Yet I do not believe any labour organization in North America has done any more for its membership than the Brotherhood of Locomotive Engineers has done for the men who are running engines in this country. But let me tell the committee this, that the Brotherhood of Locomotive Engineers did not achieve that record by militant and revolutionary methods. You cannot do business in this country on a militant and revolutionary system; the only place where that may be tried is in a country which desires revolution, and I do not think we want it here.

In 1939 I had the good fortune, the privilege and the pleasure of being in Geneva at an international labour conference. The building in which it was held, the League of Nations' palace, is one of the finest buildings I ever saw. It took four years to complete. Daily they had 500 men, of different nationalities and languages, working on that project. They worked 550,000 days, and they were never stopped for a fraction of a second on account of strikes, lockouts or any labour differences. That is a wonderful record in any country. If that can be achieved in Switzerland—I grant you that the men were well organized—there is no reason why the same thing could not be achieved here.

Having made those remarks, I wish now to call some matters to the attention of the minister. Being himself a trade unionist, he will understand, what I am talking about. It seems to me that the Minister of Labour is the man who has the portfolio with the responsibility of looking after the interests of the working class. I agree, however, that, in a government composed of fifteen, seventeen or maybe nineteen men, policy must be decided by the considered opinion of the group, so that we should not at all times blame the Minister of Labour because things are done with which we as labour men do not agree.

There are some conditions which, I believe, the Minister of Labour might help to correct. If we want to have satisfied labour men, men doing their jobs as such, one of the first things is to have them contented and well satisfied with their jobs. To start with, no man or woman who works for a living can be contented or satisfied if he or she is working for a wage which will not provide the necessities of life. The hon. member for Kenora-Rainy River (Mr. McKinnon) in his speech last

night called attention to the pay of stenographers of the lower grades, and to the conditions which exist in the new hostel which has been erected here in Ottawa to take care of that class of employees. One or two things are wrong. The first, in my opinion, is the wage; it is too low. Then, the rate charged by that hotel is higher than these stenographers can afford to pay. These are things which in my opinion are more or less the responsibility of the Minister of Labour, and which he should look after and try to straighten out.

Another factor which disturbs labour in this country is the cost of living index. Labour is quite definitely of opinion that the cost of living index is the main concern of the government—not the keeping down of the cost of living, but rather the keeping down of the figures in the cost of living index. In corroboration of that, to-day or yesterday I heard someone speaking on the radio upholding the cost of living index. The speaker was a lady, and she said that many factors enter into the cost of living index besides the necessities of life such as food, clothing and shelter. She went on to state these things. I am speaking from memory, but, as I recall, she said that food represented only twenty per cent of the cost of living, while many other things had to be taken into account. She said that a housewife might go to a grocery store and find that certain articles had gone up in price twenty-five or thirty points, but that she would find that clothing had remained the same, that house rent had practically remained the same; that doctors' fees, hospital bills, life insurance and many other things had remained the same. So that on the whole, she said, the cost of living index was only 17 or 17·5 per cent higher than it had been at the outbreak of the war.

But that is not the way to reckon the cost of living as it affects those who are in the low income brackets. Any family in the low income brackets having a doctor's bill of $100, $150 or $200 will never get out of that debt. They can never pay it off because they are living from hand to mouth all the time, so that to count in what people pay to doctors, so far as those in the low income brackets are concerned, is a fallacy. And as regards life insurance it is an absolute impossibility to the low income bracket people to carry any. They do not carry life insurance.

These are some of the reasons why I say that the labouring classes are dissatisfied with the way in which the figures making up the cost of living index are computed.

Again, there are such commodities as shirts and boots. For instance, take boots for children. Before the prices were fixed, these boots were made of leather. But to-day in the great majority of cases they are made of pressed paper. The manufacturer does not guarantee them, and while you may not pay more for the same sort of article, the product you get lasts only from one-quarter to one-half of the time that the old product would last, before the wartime prices and trade board was set up. Therefore, instead of buying a pair of shoes for $1.25 for a child and expecting to have them last twelve months, you buy a pair for $1.25, the same price, and at the end of three months you are under the necessity of buying another pair, so that at the end of the year you have really paid $5 for shoes for that child. But it does not appear in that way in the cost-of-living index.

Recently I bought two shirts in Toronto. I paid $2.50 each. They were supposed to be the standard broadcloth type of shirt that would last a year. I regret to say that they are now worn out; they are gone already. They have lasted only three or four washings. I send them to the best laundry, and I may observe in passing that so far as the laundries in Ottawa are concerned, they are about as good as one can find anywhere. At least, that is my experience. So that the fault cannot be attributed to the laundries.

The hon. member for Battle River (Mr. Fair) has brought up on many occasions the question on which I wish to touch just now and I crave the indulgence of the committee for bringing it up again. I refer to the question of the wartime prices and trade board being permitted to put a five-cent tax on coffee or tea. I see some members grinning at this. Well, to the man getting $4,000 it does not matter whether coffee is five cents a cup more than it used to be; but when you come to people who cannot pay any more than twenty-five cents for a meal at any time, for the simple reason that they do not make enough, and you charge them five cents extra for a cup of coffee, I ask, did you ever figure out what the increase means to such people? From their point of view it is the most ridiculous thing in the world, and yet the Canadian National Railways and the Canadian Pacific Railway are permitted, when passengers get a meal for $1.50, to charge five cents extra for the coffee. These are the conditions under which the labouring people have to work, and if it is suggested that they will remain docile, happy and contented under such conditions, then I say it does not make sense.

[Mr. O'Neill.]

Again, take the cost-of-living bonus. I well recall when the order first went out; P.C. 7440 was the order in council, if I remember rightly. About the first thing the Department of Labour did at that time was to call in the heads of certain very strong and well-entrenched labour organizations in the country, and to ask them if they would be agreeable to enter into an arrangement whereby wages would be placed at a certain level—the basic rate would not be increased —and, in consideration of their relinquishing this right to negotiate a new wage agreement, if they would agree to that, they would be paid a certain cost-of-living bonus. That cost-of-living bonus was supposed to be paid, not on a percentage basis but on the basis of a flat rate to all the labour people.

Having in mind the conditions that prevailed in the last war, I agreed to that as an individual, and I went out among the labour organizations with which I was associated and tried to sell the idea to them which I did in good faith. Now, however, we find that many of the highly-paid skilled labourers, and those that are strongly organized, are getting the full cost of living bonus, while there are a great many others, particularly among the low-paid labour people, who do not get the full bonus. I can cite one case in which I am particularly interested. I will not mention any names, but there were three men and one girl working in a plant. They were all getting short-paid on the cost of living bonus, and I took the matter up to see what could be done. I will say for the Department of Labour and for the minister that he went after the case in a thorough way and cleaned it up as far as he could with the restrictions that had been imposed upon him. The result is that the three men are now getting the full cost of living bonus, while the girl, working for $12.75 a week, receives $2.71 cost of living bonus. On the other hand, the men who are getting $25 a week are being paid the full cost of living bonus. Surely, if there should be any difference at all, the people who are receiving $25 a week should get the $2.71 bonus, and the girl, receiving $12.75, ought to be paid the full cost of living bonus, if you want to make a discrimination. But it does not work out in that way.

A great many labour men in this country feel that the government have not played the game. They told us as plainly as possible, if I can understand the English language, that the full cost of living bonus would be paid to everyone on the basis of a flat rate, and they have not lived up to that.

I have just one other comment to make. I am thoroughly in agreement with the remarks of the member for Kenora-Rainy River when he said that stenographers in grades 1 and 2 should come under the Department of Labour. I would go farther and say that all those engaged in the civil service, at least those receiving under $3,000, should come under the minister. I am not objecting so much to the treasury board, because one can find out who are the members of that board and it is possible to go and speak to them. But one cannot find out who are their advisers, and those are the men whom I object to. Why do those fellows not come into the open so that we can find out who they are and what they are doing? They are the men who make the recommendations to the treasury board; the treasury board passes the recommendations on to council, and then they come out in the form of an order in council without parliament knowing anything about them. I do not think that is good enough, and as a labour man I object strongly to that sort of thing. For the life of me I cannot see why all these matters should be kept so secret.

Mr. ADAMSON: In taking part in this discussion on man-power I think certain general basic principles must be fully understood before we proceed. The first basic principle for total war is that man-power must be totally mobilized for that war. I should like to quote two paragraphs from an article by Eric H. Biddle, entitled, "Man-power; A Summary of the British Experience", published by the Public Administration Service of Chicago:

> The question is not what proportion of our man-power shall be devoted to the war effort and what part to other occupations.
>
> It is rather how soon and how efficiently we can allocate to the several military and civilian aspects of the war effort our entire supply or skills.

I want the committee to pay particular attention to the word "skills."

> Just as the army must balance the number of men assigned to combat service against the number in administrative and auxiliary functions, so the entire personnel of the fighting forces must be balanced against the personnel engaged in direct production of essential supplies such as food or munitions. Finally, both these must be balanced against the man-power for necessary auxiliary services of society.
>
> In total war the civilian population must share with the military the responsibility of national service. If this responsibility is to be properly discharged, civilians must be supplied, housed, and provided with essential services. All these problems, in the interests of the armed forces as well as the civilian population, must take equal place with military

needs in national policy and national administration. In a chain, no link is less important than another.

That seemed to me such an excellent description of man-power needs, Mr. Chairman, that I have read it into the record. It effectively expresses the goal which we must endeavour to approach.

Let us now look at what we have done in Canada. From the beginning man-power has been and still is dealt with as a partisan, political problem. It should have transcended that sphere many years ago. I am not going once more into the beginnings of mobilization; the thirty-day call-up; then the four-months call-up; then the conscription for home service; then the conscription for service in Newfoundland, Alaska and the West Indies; then the coercion and possibly if, as we must expect, we have casualties, the definite conscription for overseas service. This is a policy which is not honest and which is not playing fair with the men of this country. I have protested before; I protest again.

In August, 1940, we had the original registration, and hon. members do not need to be told how inefficient it was. Hon. gentlemen may remember that I was able to purchase a blank registration card without much difficulty on the streets of Montreal. They do not need to be told that the registration was practically of no value at all until quite recently. Now, however, with the rationing of beer and liquor, the registration has come to be of some use; one needs his registration card in order to get a permit from the local authorities for the purchase of beer or liquor, so that we are finding some use for the registration after all. I do not know whether the minister will remember the cartoon of the last war with the heading, "What did you do in the Great War, Daddy?" It will be very easy to say what one did in this great war; just hold up your registration card and you will be able to show that you were able to buy liquor all across Canada, and where you did buy it. So far as I am able to see, that is the only use we have been able to make of that farcical national registration.

I should like to mention one other matter, since it was broached this afternoon during the controversy concerning the former mayor of Montreal. I refer to the old bogey that we, the Conservative party, were the conscriptionists, that we were the people with the mentality of 1917, who wanted everybody in the army. Well, I took the responsibility at that time, as I should be willing to take it again, of being the first member of this house to advocate compulsory national service for anywhere; that was in 1940. Just to keep the record straight, I should like to quote what I said at that time, as it appears at page 162 of *Hansard* for November 18, 1940.

> The training of military personnel must be so arranged as not to conflict with industry. A comprehensive plan must be prepared by all industries engaged in our war effort, indicating the present and future demand in regard to man-power. To-day we have approximately fifty thousand employable unemployed in this country.

That will show how long ago that was, when we actually had fifty thousand employables still unemployed in Canada.

> It is estimated that by July of next year—

This is November.

> —industry will require a further 500,000 technically trained men. These men are as vital to the defence of Canada at the present time as are the soldiers who enlist in our army. Therefore I suggest that the Minister of National War Services (Mr. Gardiner) should go to the registration list and call out for training in our munitions industries all available people between the ages of 18 and 50 in order to make up this apparent deficiency.

And the next paragraph:

> This is a total war. Each of us in Canada has a job to do. If we are employed in civilian occupations, and the government needs us for war work, whether as a soldier or in making machine guns, we must be prepared to go and do the country's bidding. Therefore I suggest an immediate recapitulation of the national registration scheme calling out all those who may become useful in our war industries.

That was 1940. Does that sound as if we wanted to drag men from the farms and from industry, merely for the glorification of having a great army? No; we have advocated from the beginning—and I quote again—"the scientific use of man-power in Canada". And I say to the minister that it is still not too late, but the time is running very, very short. This crisis is approaching. A great many industries, including agriculture, have already reached the crisis. I am not a farmer, but I would hate to make an estimate of the amount of foodstuff we shall be needing during the next winter which is not being produced because of insufficient farm help to work the farms.

There is one other thing I wish to mention, something which was manifestly unfair and unscientific in our calling up of man-power. That was with regard to recruiting. The first and second quotas for the armed forces were based not upon the population, not upon the number of males between certain ages, but upon the number of voluntary recruits who had already enlisted from the area. If one area had an enlistment of fifty, and another with the same population had an enlistment

of ten, the area which had already sent fifty was asked for five times the number that had gone from the area which sent ten. That was unscientific, unsound and unfair, and it has caused a great deal of unrest and suffering across Canada.

There are those who have said quite recently in the house that in their opinion, so far as the armed forces are concerned, we had bitten off more than we could chew, and that to have an army of the size we have was greater than our population warranted. Mr. Chairman, I again take a certain amount of responsibility, because in that same year of 1940 I advocated a Canadian army of precisely the size it is to-day. It is not too big, judged by either Australia or New Zealand. We are not biting off more than we can undertake—and that is taking into account all our munition production, the fact that we are an industrial nation and New Zealand is not an industrial nation, and that Australia is not industrialized to the same extent as we are.

I have quoted the figures showing armed forces in Australia. An official dispatch estimates that approximately 850,000 persons were in the armed services of Australia, although she has a population of only slightly over seven million people. At that time I was told that the figures for New Zealand then given to me were most confidential, and under no circumstances was I to use them in the house. I respected that trust until quite recently when in volume 68 of the *Commercial Intelligence Journal* of June 5, 1943, I came across all the figures from New Zealand. That country, with a population of 1,500,000 has actually 160,000, or nearly twelve per cent of her total population in her armed forces. These are the exact words as they appear in the *Commercial Intelligence Journal:*

> At present out of a total population of just over 1,500,000, 160,000 men are in the armed forces of New Zealand, and overseas. This figure represents a high percentage of the available man-power, and takes no account of the large number of women now serving, or of the thousands of men and women doing part-time service in such organizations as the home guard, emergency fire service, emergency precautions scheme, coast watches, etc. Such a substantial withdrawal of men and women from civilian pursuits at this time last year, when New Zealand was threatened with invasion and air raids, was considered necessary in the circumstances.

I do not say that we in Canada could have recruited for our armed forces on the same proportions as New Zealand, but I do say that what we have done, and what we propose to do, is by no means too much. We are having difficulty; there is a man-power crisis. And yet with the exception of Hong Kong and Dieppe our army has not been in action. I admit that they were pretty bad disasters; but even without any action, without any service, we are hard pressed for reinforcements. The man-power situation is much more serious than appears on the surface and we have not yet tackled it in a realistic or total way. We should try to impress upon the people of Canada the seriousness of the situation. Different ministers have endeavoured at different times to awaken the Canadian people from the complacency into which they have been lulled by the government policy—too little and too late, a nibble here and a nibble there. But that did not do much good.

I should like to give one or two illustrations of the chaos that exists in Canadian industry. A year ago Canadian Car in Fort William came to the end of their contract. They had been building Hurricanes and had built up an organization of skilled aircraft workers. This work requires a considerable degree of skill, but these men were put out on the street. What happened? International Nickel company sent one or two special trains there, picked them up and took them to Sudbury. That is an extremely wasteful way of handling our man-power. That is why I used the word "skill" in my opening remarks to-night. Here we had skilled aircraft men being taken to a nickel mine to be made into miners. Both are skilled operations which require considerable experience and which entail considerable cost to achieve. That is the sort of thing that has been going on.

I was out at Victory Aircraft the other day, and I was told that between now and the end of the year they will require 7,000 more men in order to fulfil their estimate of production. They had no idea where they would get them. I asked what sort of men were wanted, and the manager told me that he would take anything as long as it had a pair of hands. They are in a desperate position. I know what some of these industrial plants are up against. We are just beginning to awaken the Canadian people to the fact that this war business is serious, but they do not know it yet.

What the government should have done was to say to the Canadian people four years ago, "We are in this war and it is going to be a tough business; it is everybody's war and it will be hell before we are through." Had the government done that, our man-power picture to-day would have been much brighter. Then the Minister of Labour would be in the same position as the Minister of National Defence for Air. That minister came out early in the war and said that he had a terrific job ahead of him. Month by month, half year by half year and year by year he has reported, either to this house or to the

press. At times he has said, "We have not done as well as we wanted to, we have failed here and there; we have not the aircraft and we have not turned out as many men as we hoped to, but we are trying; we are doing what we can." I do not think anyone will deny that the greatest success achieved in Canada during this war has been the Royal Canadian Air Force and the joint air training plan. Instead of saying, like Candide is reported to have said, that everything is perfect in this most perfect of Liberal worlds, the minister should have said, "We have not the men; we have a lack of skilled workers; we have bad management." But no; everything was perfect.

I have just one more subject with which I should like to deal, industrial disputes and labour unrest. In every plant where there has been labour unrest that I have visited I have found the cause to be inefficient and bad management. Work was being scrapped; men were wasting time because the raw materials were not coming through, and in some instances the plant had not been properly laid out. The government forgets that while the labourer is worthy of his hire, his self-respect demands that he be given something to do. The trouble is that the devil always finds work for idle hands to do.

I should like to mention one or two cases. The first is Victory Aircraft. During the change-over period one management wanted to discharge the present manager, according to the minister's statement made in the house. This manager knew his job; he had come from Fort William where they had been producing Hurricanes; he knew his job better than the company knew theirs, and he told them so. Yet they wanted to get rid of him and immediately there was talk of strikes. In fact, there was the definite liability of a strike by the workers in that plant demanding that the manager be kept on. They wanted to do a job. They did not want to be inefficiently managed. Just so long, Mr. Chairman, as there is inefficient management in a plant producing war equipment in Canada, there will be labour troubles. It is not the unions; it is not organized labour; it is individual human nature. To-day in the Toronto Shipbuilding yard there is trouble ostensibly between one union and another, but basically that trouble is as a result of inefficient management. I understand that since last year, since the plant was taken over from the Dufferin Shipbuilding company, only two out of the promised twelve ships were delivered to tide-water, and when they got there they had virtually to be rebuilt from stem to stern. I doubt whether any ships have reached tide-water this year and been commissioned, and this is virtually July.

That is the trouble to-day with labour; that is why we have unrest. I do not believe that the situation at the Toronto Shipbuilding company's yards is satisfactory. I do not believe that it is satisfactory either to the Minister of Munitions and Supply or to the Minister of Labour. By reason of the policy of saying, "everything is lovely," you have trouble there, and in my opinion the trouble will continue until labour is given an opportunity to work under management that it respects.

Mr. GILLIS: I regret to have to detain the minister a little longer on this general item. I appreciate that he wants to get to the estimates, item by item. But the matter on which I am going to speak, very briefly, would not be applicable to any specific item that I see in the estimates.

I was very much interested in the speech made by the member for Kamloops (Mr. O'Neill), which was a refreshing breeze from that side of the house. He said many things with respect to the problems of labour with which I agree, but one thing I do not agree with was his analysis of labour conditions in Germany and in Canada. He pointed out quite rightly that Hitler was built for certain purposes, and the first organizations to fall under his heel were the labour organizations. But the point which my hon. friend did not make is that there is absolutely no difference between the mentality of those who destroy labour unions and the mentality of those who refuse to allow them to be born. One destroys them, and the other does not permit them to be born—and for exactly the same reason.

The hon. member for Kamloops as a member of a section of the trades union movement for forty years eulogized what they had achieved, but pointed out that less than twenty per cent—I think sixteen per cent is correct—of the workers in this country eligible for membership in the trades union movement are permitted to become members of a labour organization. I say "permitted" advisedly, because any member who has sat in this house for the past three years and listened to the discussions that have taken place with respect to labour endeavouring, plant by plant, mine by mine, factory by factory to exercise its right to sit round the conference table and bargain, can easily see what the factors were that were precluding them from joining a labour organization. Those em-

ployers who take the position that they will not permit their employees to ballot on the question of whether they shall have representatives or not appear to me in exactly the same light as Hitler, except that they are smarter than Hitler. They are not allowing industrial democracy to be given birth, but in Germany it was there and Hitler destroyed it. Let us make no mistake about the employer who will not permit his employees to join a labour organization. The ultimate objective in the mind of a person of that calibre is, in my opinion, the same that is in the minds of those who have built the totalitarianism which we are fighting against in the war to-day, and any of us in this house who are interested in a free parliament, freedom of speech and the right to criticize one another in a constructive manner should be cognizant of that situation if we are to preserve our democracy in the aftermath of this war.

I rose specially to mention two or three matters to the minister. First, I should like to focus his attention on the complete inadequacy of the machinery for settling disputes. There are now in Ontario and Quebec some disputes of major proportions which have been dragging on for a considerable time. I would remind the minister that these disputes are all on the question of taking a vote, on the recognition of a union. There are no wage demands. All that the workers in these disputes want is the right to have one of their elected fellow workers sit in with the boss and sell their labour power to him, the only thing, the workers have to sell. In the Marconi company's plant in Montreal there is a dispute which has lasted a considerable time. I do not wish to tire the minister with the details. I will simply say that a vote is not permitted at that plant because the employer does not want it. This particular company ignored an order issued by the minister with respect to the re-employment of one of its employees and insisted on an order in council being put through empowering him to penalize employers who ignored the instructions given. That was P.C. 4020. This is the company that stands up and says that its employees have not the right to vote. Second, all the nine plants at Galt that are tied up are so tied up on the basis of union recognition. No wage demands are involved, merely the right to go in and negotiate an agreement, as the hon. member for Kamloops (Mr. O'Neill) has been doing for forty years, and also the hon. member for Kenora-Rainy River (Mr. McKinnon). The miners and steel workers, of course, have the same rights That strike in Galt has been dragging on for a considerable time. I have the reports here of a board of conciliation, headed by an eminent judge, which sat in this dispute. In every case, an examination of the record discloses, a majority of the men at the plant expressed their willingness to join a union, and in face of that there is an interruption of nine plants necessary to the war effort. All the employee there is looking for is the right to vote, and this the employer refuses him.

Mr. MARTIN: Is that before the Ontario labour court at the moment?

Mr. GILLIS: I will come to that in a minute. Another situation is at Hamilton Bridge; the vote is involved again; they have not the right to express their wishes in accordance with the franchise. The Ingersoll Rand company in Sherbrooke, Quebec, which is a well equipped plant, is, I believe, at the present time completely idle, and it is the general opinion of the men employed in that plant, numbering perhaps five or six hundred, that the reason for the shut down is that they were exercising the right to express their opinion through the medium of an organization. Over at Port Colborne, in a very necessary plant, one of the smelters of International Nickel, there is a similar situation, where the men are, I think, at least ninety per cent organized. They have done a very good job of organization; put their machinery together thoroughly, canvassed all the methods provided by the minister month after month with respect to the taking of a vote, and he finally wound up by advising them to hand their case over to the Ontario labour court. I do not know what that court is going to be. It is a one-man body. A judge is appointed for the purpose of adjudicating all matters of this kind. I have read over their act and know it fairly well, and I have not too much hope with respect to the ironing out of the difficulties of the workers on the basis of that act. But what I am complaining about is this, that in war emergency, where the federal government have exercised authority in every field of our war effort by the taking of emergency powers, at this stage of the game, after certain sections of the unions go through all the machinery provided by the federal government, it is a very convenient way of shelving the matter to now pass it back to a court which has not yet started to function. I believe that in the case of the International Nickel smelter at Port Colborne, affecting local No. 637 of the Mine, Mill and Smelter Workers Union, that matter should have been

handled and brought to a final determination by the Department of Labour instead of its being passed on to the Ontario labour court.

A few minutes ago the hon. member for York West (Mr. Adamson) mentioned the Toronto Shipbuilding yards. I have a few words to say on that, because the Minister of Munitions and Supply and I had considerable to say about it on Monday of this week. I endorse everything that the hon. member for York West has said. I speak about the matter now to the Minister of Labour because that dispute has been handed over to his department. I understand Mr. Ainsborough has been sent in there for the purpose of looking into the dispute and making his findings to the department. I know the men there are not satisfied; he has gone in there with limitations with respect to his authority to settle that matter. He is not there primarily to take care of the problem as it affects the 289 men who were illegally dismissed, by incompetent management, in violation of national selective service regulations: he is not there for the purpose of settling that matter which should have been settled, and settled on Monday of this week, because I think the men in that plant have been reasonable and fair. They demanded three things of the Minister of Munitions and Supply: First, that the 289 men dismissed from that plant should be placed back at their work. The minister stated on Monday that there was nothing to stop them from going back to their work, that there would be no discrimination. These men have applied, in many cases, and have been refused employment, and they have been told that they will not be taken back by that company except on a re-hiring basis. That is the old formula for discrimination. It is not new in Ontario; it is not new in Canada; it was developed a good many years ago over in the United States when they were fighting this battle for the formation of unions: "Fire them en bloc, re-hire them, and we will pick them and cull them out and leave on the streets the effective ones who lead the movement." So that it is an old formula which the Toronto Shipbuilding company is applying at the present time. These men should have been back at work. They should have been ordered back to work either by the Minister of Munitions and Supply or by the Minister of Labour on Monday of this week, and they should have been earning a living this week while this matter was being investigated by the department which is now inquiring into it. Second, they asked for remuneration for time lost by virtue of the illegal dismissals, and I think they are perfectly justified in the demand. Third, and most important to this house and to the taxpayers of Canada, they demand a complete examination of that yard on the basis of efficiency.

I listened to these men discussing their problems. I heard them draft a memorandum of their grievances and the matters about which they demanded investigation, and they are serious. I saw a copy of that memorandum placed in an envelope and mailed to the Minister of Munitions and Supply. An hon. member on this side of the house questioned the minister this week as to whether he had received that memorandum or not, and he said he had not received it. Well, if he has not, there is something wrong with the postal department or something wrong with his secretary who looks after his mail. I know that the memorandum was mailed. I have a copy of it here. I do not intend to read it, but the fact of the matter is that there is stuff in it that I am ashamed of. I am ashamed that the taxpayers of this country should see how their money is being spent in a necessary war plant. If the Minister of Labour has not a copy of that memorandum, and now, since this dispute is centred in his department, he intends to make a thorough examination of the question, I am prepared to give him this copy of the memorandum and let him make full use of it, seeing that the minister of munitions has evidently lost his.

A commissioner is in there making an investigation, and with the limitations that are imposed on his powers with respect to that dispute, I suggest that those powers should be extended to include an examination of the reasons why these 289 men were thrown out of that yard without any redress from any of the regulations laid down by this government respecting matters of this kind.

There was a serious dispute there last Saturday when 1,200 men walked out of the plant, and it was with considerable persuasion—

Mr. MITCHELL: Where were those 1,200 men?

Mr. GILLIS: They were idle last Saturday, in the Toronto Shipbuilding company. As I say, with considerable persuasion on the part of the steel workers' union officials, at a meeting I sat in on, these 1,200 men went back to work for the one purpose of placing the men so dismissed on a legal footing—

Mr. GOLDING: What is the total number employed?

Mr. GILLIS: About 2,500. I am not sure of that, but I believe that is the number. The object was that the union officials would leave the door open, not being engaged in the strike, to argue the matter out, to have it

arbitrated, and to have the men returned immediately. After listening to the discussion there last Saturday, I heard a telegram read, drafted by C. H. Millard. The telegram was to the minister of munitions. Surely he received this telegram. This is one of the men whom he characterized in the house as a promoter of strife, and Mr. Millard advises him that after considerable difficulty they had finally persuaded the men to go back to work, which opened the door for negotiations, and he suggested that an order should be issued immediately to get the men back to work pending a settlement through the medium of the regulations laid down by the government.

I was reasonably sure that once the minister of munitions had received that telegram and memorandum, and having in mind the background of the whole business, he would issue an order to get the men back to work. This is Friday, and with the exception of about twenty men the rest are still idle, still waiting for some settlement. They are not satisfied with the terms of reference which the conciliation officer, sent there by the Department of Labour, has submitted. It appears that he is restricted to making an examination into the dismissal of one man, which took place a few weeks ago and which has no relationship to the present dispute. They ask for the extension of his terms of reference to include an examination of the problem affecting the dismissal of these 289 men and also to go into the charges made against the management of that plant, as set out in the memorandum to which I have referred.

I do not want to take up the time of the committee, but there are five pages on this question, and every page contains certain charges by the employees of that plant with respect to wastage, loss of man-hours, discrimination, lack of building ships and various matters of that kind.

That yard, according to the description I heard from men whom I consider competent to make a criticism in their own departments, leaves much to be desired from the point of view of the public moneys that have been spent there.

My main reason for rising to-night is to focus the minister's attention on that Toronto Shipbuilding dispute, so that he may give Ainsborough—I believe that is his name—sufficient latitude to make his examination impartial and to judge the question on its merits through the medium of his department. I suggest also, in view of the necessity for building ships, an order should be issued immediately to put these men back to work. That is all they want. But they do not want to go back to work on the terms on which the company would take them back, because they know it will mean that about 20 per cent of the most efficient men in the yard will be left on the street. I think they are fully entitled to return to work, and the whole matter should be investigated.

Mr. ROSS (St. Paul's): I will not follow the hon. member who has just spoken, although I think there are some phases of the Toronto Shipbuilding yard matter that should be looked into. I do not understand why the government has not done something in this regard before now. I believe that a great many industrial disputes that have taken place in Canada have occurred on account of a weak policy on the part of the government. I do not blame the present minister to the same extent as I do the government itself.

With regard to the question of man-power as a whole, I read on a previous occasion something from a memorandum issued by General McNaughton when the war started. I quote:

> Some trades are vital, others are less important, and others again can be dispensed with under conditions of national emergency; hence a list of "reserved occupations" is needed.

Again he says:

> Some industries are important to or for the production of munitions, others for the maintenance of vital services to the civil community; others again, which are active in peace, are of little importance in war. In consequence, a list of "essential industries" is required.

He prepared these lists, and they have been in the hands of the government unless they have lost them. It is only a short while ago that these priority lists, as far as occupations are concerned, were brought down. Why is that? It shows the lack of policy there has been in connection with labour. After four years of war no policy has been laid down that is worth while, and certainly it is not for want of constructive criticism on the part of His Majesty's Loyal Opposition that some policy of this kind has not been adopted by the government. I warn the government, now that they have taken so long to lay down this policy and to get out their list of priorities, that it will be much harder to enforce them. This business of evolution, which the minister spoke about, does not go in war time. In spite of the urging of the opposition for the government to take a strong stand in connection with man-power, nothing has been done, and it is only now that we have had the survey which the minister the other day put on *Hansard,* showing where people are, what they can do and what they are doing.

We are in a total war these days, but the government do not seem to have thought so, judging by their actions. Although they have been urging the people to take the position implied by total war, they have not taken that position themselves, nor have they had strong policies in that direction.

Speaking in the house on January 30, 1942, I said:

So far as man-power is concerned, our problem is this. For a balanced effort there are so many people in this country. Some of them are trained for special jobs, and some are not trained, having, however, the natural strength and ability to become trained. Some are men of military age, while some are too young to fight and others too old. There are so many women, some married with children, others married without children, some young and others old. This is a vast pool of brawn and brain to draw from. On the other hand, there are so many jobs that have to be done. Obviously some of these people must be diverted towards the preservation of those physical amenities of life, the supply of food and shelter and clothing, transport and so on, which cannot further be shrunk or restricted. We have also huge numbers of men and women for the army, the navy, the air force and the merchant fleet.

It seems to me it would be only common sense to think it over; yet it has taken until this year to have any sort of survey made in that respect. Later, in the course of the same address, I said:

Total mobilization on the basis of equality of sacrifice would knit together the people of this country in closer bonds of brotherhood than ever before. It would be a long step toward the realization of the new and better world which everybody is wishing for after victory. It would show by this act of the government, backed by parliament, sincerity of purpose beyond all shadow of doubt, and our soldiers, sailors and airmen would have renewed confidence.

I was then speaking of the proposed plebiscite. I went on to say, as reported at page 192 of *Hansard* for the same day:

What good is a government if it will not act according to the needs of the country without seeking the opinion of the people before it acts?

We have crises every day; the government take steps every day without consulting the people of Canada. They decide to ration this, that or the other thing, but they never consult the people about them. The only thing the people were consulted about is the plebiscite. The government has drifted along, without taking any action. There is no strength of purpose, no leadership; there is only indecision. Speaking in the house during the same debate, on January 26, 1942, the Prime Minister realized the necessity for compulsory national selective service. As reported at page 45 of *Hansard* of that date he said:

It must not be supposed that there are large reserves of idle people leading a leisurely existence who can now be called to the national ranks. The entire adult Canadian population, with very few exceptions, gets up in the morning, works all day, and goes to bed tired out at night.

Surely he realized the seriousness of the situation even then; and if that was the condition of our Canadian people at that time, what must be their condition now? Yet nothing has been done along the line of compulsory national selective service; we have been simply drifting along. On the other hand, perhaps the Prime Minister gave the reason why nothing has been done, when he went on to say:

In our form of society people have been accustomed to find their own jobs to a very large extent, thus saving vast government machinery.

As a matter of fact, at that time we had all the machinery we needed; all that was necessary was to put it into operation, but I think the Prime Minister was afraid to do so. I do not know just why that was not done. Certainly people do not like to be regimented, but in war time they have to be regimented for their own good. If we are to have a total war effort people must have leadership, and to a certain extent they must accept regimentation. When a man joins the army he does not do just as he likes, and during a war the civil population cannot do as they wish, if they want to conduct a total war effort.

To-day we face a crisis overseas. Major events are about to take place, we do not know how soon. What will be our casualties? Have we sufficient reinforcements and, if not, where are we to get the men? Is the amendment to the mobilization act to be forgotten, or what is to be done about it? Speaking in this house on the taking of the plebiscite I said, as reported at page 196 of *Hansard* for January 30, 1942:

What do the government hope to gain by a plebiscite? At best the government get a respite of two or three months. Meantime there are all kinds of turmoil.

Well, we had all kinds of turmoil while the plebiscite was being taken.

When the three months are up there will be the same pressure for action.

There was.

This proposal of a plebiscite is an affront to the rights of parliament and an undeserved reflection on the people of this country, of whatever race or creed.

I was right.

It will get nowhere.

It has not.

If the proposal carries it will not get rid of the controversy—

It has not.

—and it will leave uncertainty as to future action—

It has.

—if it fails to carry, our troops will be abandoned to the uncertainties of voluntary enlistment. In either case the country is humiliated and disgraced.

Thank heaven it carried; that is all I have to say about it. It would have been a terrible thing if it had not. What disturbs me about the whole situation is the fact that the amendment to the mobilization act has meant nothing; we have continued to enlist men under a so-called voluntary system; that is all. It is just a fraud and a farce and coercion.

Here is something else that worries me at the present time. In January of this year some figures were tabled, showing that 750,611 notices of call-up had been sent out in this country. Apparently 216,791 men received notices, of whom nothing more was heard. From March 20, 1941, to December 26, 1942, the army asked for 150,000 men and were able to get only 107,678 from a total of 750,611 who were called. Now we come to the minister's statement. From March 20, 1941, to April 16, 1943, some 988,475 notices were sent out. Of these men, 379,833 were never heard of again; we do not know where they are. There may, of course, be reasons for this in some cases. Some 289,541 were called after being medically examined, but evidently 128,882 of those called after examination disregarded their notices; that is all there was to it. In all, the army got 126,963 after sending out 988,475 notices. In other words, the army got 107,678 from March 20, 1941, to December, 1942; or for the whole period, from March 20, 1941, to April, 1943, they got 126,963 men in all. In other words, they got an increase of 19,285 men from December 26, 1942, to April, 1943. That was the increase they got. What is the government doing about these 128,882 men who were medically examined and who disregarded the summons of the crown? It just shows the laxity of the administration. Does the government feel it is useless to do anything about this? Does it feel that even if the men are called up there will be no necessity to use them in Canada? What will it do with them after it gets them? As a matter of fact, the whole policy of the government can be described as vaporous, vacuous and vacillating; that is about all it is.

An hon. MEMBER: What?—no more?

Mr. ROSS (St. Paul's): That is enough. I could say much more, so far as that is concerned. I would point out to the committee that so far as the enforcement of the national selective service regulations is concerned, the government is so afraid of losing votes that it will not take a strong stand.

Mr. PERLEY: Let us take a vote now.

Mr. ROSS (St. Paul's): We could do that. The government has all power, but it does not use it. The point is that the government cannot make up its mind. I think I might use in this connection a few words which were used by a famous statesman in the House of Commons of Great Britain. This is what was said on November 12, 1936—and it might be said with equal force about this government at the present time:

> The government simply cannot make up their mind, or they cannot get the Prime Minister to make up his mind. So they go on in a strange paradox, decided to be undecided, resolved to be irresolute, adamant for drifts, solid for fluidity, all-powerful to be impotent.

I ask hon. members if that does not fit this government to a T. That great statesman in the British House of Commons was Mr. Winston Churchill. I do not suppose people in Canada will go hungry on account of the government's policy in connection with national selective service. We have the food in this country. But if we do not do something about the matter, so far as our farmers are concerned, we shall be responsible for not doing as good a job of feeding our allied nations as we should have done.

As a matter of fact, some of our people may have to go cold this winter. That will develop on account of this policy of drift, this procedure of putting things off, this vacillating policy of the government which we have had ever since the war started. We ought to take a leaf out of the book of that little island of Great Britain. They are now proceeding to call up part-time workers to do full-time work. They know they have mopped up all the surpluses from other industries, and men and women in non-essential jobs. They report that each worker is doing a day's work which ranks as a world's record for output per unit. But that is not enough to satisfy them. Norman Crump recently gave details of how they are going further in the use of women for part-time work. However, I have not time to give details of that at the moment.

We in Canada are not nearly in the position of the people in Great Britain. The minister's figures show that we have some 743,000 men and women who are actually engaged to-day in low priority occupations. That is shown by the minister's tables. We ought to be able to get all the man-power we require very easily, if we had a proper system of selection. That ought to be done quite simply. If we had some proper and strong policy pronounced and carried out, we should have no difficulty along these lines. But as I said before, this government never announces a policy; it only pronounces public opinion which it has failed through lack of leadership to create. It just follows public opinion. What we need is leadership. As I said before, it will be necessary to send large reinforcements overseas. We have some in Canada who could be sent anywhere. Our troops must be reinforced. However, some who are enlisted in Canada cannot be sent anywhere, a point which was emphasized to-day by the hon. member for Rosetown-Biggar. Before these troops can be used, the parliament of Canada must vote confidence in the government. How ridiculous to have the parliament of Canada vote confidence in the government—not just vote confidence by confirmation of an act, but vote confidence in the government itself! That is an entirely different matter.

Then, what will happen? The old Liberal election issue will be trotted out, just as sure as I stand here. We shall hear the old Liberal election issue of "no conscription," the one which they have kept up—

Mr. MACKENZIE (Vancouver Centre): Your party had that issue, too.

Mr. ROSS (St. Paul's): That is the point on which the Liberal party have kept up the racial issue in Canada all these years, with the result that they have brought forth more disunity.

Mr. MACKENZIE (Vancouver Centre): Your leader used that issue.

Mr. ROSS (St. Paul's): If we do not vote "yea" with the government, we shall be accused of refusing reinforcements for overseas troops. If we vote "nay," we shall be accused of supporting the government, and some of the policies we criticize. I do not know what we are going to do.

Mr. MACKENZIE (Vancouver Centre): Hear, hear.

Mr. ROSS (St. Paul's): It is a pretty good trick, if one might call it that—about the neatest trick we ever saw. But after all, I do not think it is quite fair that any opposition should be placed in a position of that kind. Had it not been for hon. members in the opposition, I doubt very much if the government would have had the great majority in favour of the plebiscite which it had.

May I say at once I think the minister is capable of laying down a policy. I do not know whether he has the support of the government, or support sufficient to enable him to carry out the policy he would like to carry out. But he must take the blame, with the government, for not carrying out such a policy. Everything is not rosy in connection with selective service. There are many things wrong, and many which might be corrected; but I say that unless the government takes steps now, lays down a policy and enforces it in connection with the crisis we shall have to face with respect to the reinforcements which will be required, the food which we must produce, the munitions which will have to be made quickly, the transportation which we shall have to furnish, and many matters of that kind, it will be everlastingly condemned by future generations.

Mr. HANSELL: I do not believe this evening should pass, and the week-end come upon us without our asking the minister to make some statement respecting the fuel situation in Canada, and how the national emergency is to be handled. I asked the minister that question, I believe almost three weeks ago, and he did not know the answer. The day before yesterday I took my full time in trying to tell the committee the seriousness of the situation as I saw it.

Speaker after speaker has been dealing with general matters, and perhaps the minister has in mind, when he rises to speak, giving this country the details of the situation as it exists. Can he do that before eleven o'clock? I do not want to take up any time in making a speech. There he sits with three expert advisers sitting in front of him. They have been there for the last couple of days, but I do not know why, because they have not had to advise him about anything. His parliamentary assistant is beside him, and if he needs any more help there are two ministers of the crown sitting behind him. He seems to be pretty well surrounded with sources of advice. Will he make a definite and comprehensive statement so that this country may know the exact situation with respect to the national coal emergency? Will he tell how the department is dealing with it?

Mr. MITCHELL: For the last three days I have been trying to say something, but

this general discussion has been kept up and the committee has talked about everything from here to Shanghai. This afternoon we had the exhibition of a private war between two members on the war appropriation measure. I do not think the minister can be blamed. I have been ready and willing to answer any questions that I can. My hon. friend talks about coal. I think he knows, or he should know if he is sufficiently interested, that an order in council was passed and an announcement was made dealing with the man-power side of the government coal policy. The announcement appeared in all the newspapers, and I do not know that the policy has been changed since the announcement was made.

In general terms it provides for the transfer of coal miners not now engaged in mining back to the mining industry. It provides that they shall not be called up for military service, and it even goes so far as to provide that they shall not join the fighting forces on a voluntary basis. It provides for the payment of transportation costs to miners who may have to move their families to new points of occupation. It also guarantees a minimum weekly earning for the men so transferred. It provides also for a separation allowance, if you want to call it that, to be paid to those who are living apart from their dependents. Appointments have already been made of the eastern and western directors of the man-power side of the government's coal mining policy.

The branch of the Department of Labour charged with the responsibility of going through the registration records and getting the names of all men who have been engaged in mining has been actively engaged at its task, and I believe it is completed. Speaking from memory, I understand the figures from the registration are 31,000. Since the policy was announced, over 1,000 miners have been transferred from their present occupations back to mining. If my hon. friend would like a copy of the order in council to refresh his memory, I can provide him with one.

Mr. HANSELL: I do not want that. The minister has told us pretty well what we know already. We wish to know if the programme is working out satisfactorily. We wish to know if we are to have coal this winter and if industry is to be kept going.

Mr. MITCHELL: I think the fact that we have moved 1,000 men in the short time at our disposal is an indication that we are going at the problem in a real way. I do not know whether we shall have coal next winter, and I do not think my hon friend knows. The same question might be asked about farm crops. It is dependent upon conditions outside this country. The Dominion of Canada is on an import basis as far as coal is concerned. Let us ever remember that. It is estimated that 23,000,000 tons of coal will have to be imported from the United States, and this importation will depend upon the situation that exists in the mining industry in that country. That situation has been very difficult in the last few weeks. Arising out of this, may I say that I think it is the duty of every member of this House of Commons and of every responsible citizen of this dominion to give the government every assistance in carrying out the policy that has been laid down.

Mr. HANSELL: I will say "hear, hear" to that.

Mr. MITCHELL: We think the thing out on paper, and it is much easier to plan than to execute. When we are confronted with what I would term is a grave problem, everybody concerned in the execution of the policy should put forth every ounce of his energy. The government is entitled to the cooperation of every person affected. My hon. friend comes from western Canada and he knows of the situation that existed there last winter. We had an early fall and the thermometer dropped to forty-two degrees below zero in Edmonton. I have a vivid recollection of the telegrams that came to my office in connection with coal supply. I am sure we have a policy, as far as the Department of Labour and selective service are concerned. My hon. friend may rest assured that no stone will be left unturned to see that any mining property that is capable of being operated is supplied with the necessary labour in order that coal may be mined.

Mr. GILLIS: Is it not true that representatives of the mining unions and the operators from the east and west are now in Ottawa meeting with the war labour board for the purpose of developing provincial machinery?

Mr. MITCHELL: I think that is a wage negotiation. My hon. friend is speaking about the war labour board, not the national fuel board.

Mr. GILLIS: I understood from those I spoke to that they were here making representations in connection with increasing the production of fuel.

Mr. MITCHELL: That may be true, but wages are involved also. It is a joint meeting of the two boards.

Mr. WOOD: The minister has just given us some timely advice, and if we would listen to it and endeavour to live up to it I think we would make a greater effort than we are making at the present time. I listened with considerable interest to the criticism put forth by the opposition with regard to the minister's department and the man-power problem generally.

There is a phrase, "Saying so does not necessarily mean that it is so". Consider the record of production which the Minister of Munitions and Supply brought down a few days ago, showing that Canada is making every week 80 planes; 4,000 motor vehicles; 450 fighting vehicles; 940 heavy guns, barrels or mountings, and that our small arms plants turn out 13,000 smaller weapons. Every week our ammunition factories make 525,000 rounds of heavy ammunition and 25,000,000 rounds of small arms ammunition. In view of this huge production, a lot of the criticism we have been listening to seems hardly justified. After all, we have history to light the path of the future. We have learned to recognize the lighthouses on the rocks of disasters, so that we need not fall into the errors of the past.

I should like to say to the leader of the opposition, whose modest, placid way of indulging in biting criticism of the government of the day I admire, that from the impression he has so far made I think he is more likely to be Prime Minister than his leader who is running at large, but I cannot harmonize his actions with some of the views which he has expressed. The other day he championed the cause of the little man. I have sometimes wondered where the little man ever came in on the platform of the Conservative party, with which my hon. friend has been associated for so long. The party has now adopted the hyphenated name Progressive Conservative, but what that means none of us knows. We have heard a great deal about unity in Canada, but I can see no unity, no unified policy which this new hyphenated party—

Mr. GRAYDON: I do not want to destroy my hon. friend's argument, but there does not happen to be a hyphen in the name.

Mr. WOOD: It is characteristic of the Conservative party that they manufacture a new name, such as National government, or a new programme whenever they think it is expedient to do so, and I will say that the hon. member is just carrying out the record of his party in changing its name.

We are all proud of the development that has taken place in our army, navy and air force since the beginning of this war, but what was the attitude of my hon. friend's party in 1911 when the Liberal government of that day proposed to build a Canadian navy? The Conservative party described it as a tin-pot navy and proposed instead to contribute to Great Britain $35,000,000 to buy three dreadnoughts for the British navy. They had no confidence in the Canadian people being able to build up and manage a navy of its own. But, thank goodness, the Liberal party had the courage to set about building a Canadian navy, which to-day is a credit to the Canadian people and to the British empire as a whole.

The same sort of thing happened in connection with our air training scheme. True, this government did not approve the first plan of air training which the British government proposed, but that was because the colonial mind was more or less associated with it. We wanted a larger air training scheme purely under the jurisdiction of Canadian laws and the Canadian parliament, and ultimately our modern air training plan has grown into the greatest in the world. Surely the record of this government is hardly one that justifies the picayune type of criticism to which we have been listening and which does not do credit to our own country. The fact that one-half of our whole economy is devoted to the production of war implements is an indication of what we have accomplished in spite of the man-power shortage. But for that man-power shortage, what might our accomplishments not have been? The leader of the opposition said on June 3:

> There is no question that the policy of the government with respect to man-power has been muddled, misconceived and misfitted.

That criticism is hardly characteristic of the leader of the opposition in his genial moments.

Mr. GRAYDON: It was hard to say, but I had to tell the truth.

Mr. WOOD: I did not think the leader of the opposition would ever come to the point where he would say that he had to tell the truth; I thought he would tell it voluntarily. I thought better of him.

Mr. GRAYDON: It was not an unusual situation.

Mr. WOOD: The leader of the opposition also waxed eloquent about the farmer. I admire his legal mind and his solicitude for his farmer friends in Peel county. The Ottawa *Journal* runs a reprint every day from its corresponding issue of twenty-five years ago, and on May 14, 1918, this appeared in the Ottawa *Journal* and was reprinted about a month ago:

Ottawa in 1918

From the *Journal* of May 14, 1918

Some 4,000 farmers, largest deputation ever to visit Ottawa, came to try to persuade the government that the draft regulations should not apply to agriculture. Two thousand of them crowded into the Russell theatre, where they presented their case to Prime Minister Borden and his colleagues. Sir Robert told them flatly the government would not change its course.

Mr. GRAYDON: Was not the Minister of Mines and Resources, whom the hon. member follows, a member of Sir Robert Borden's cabinet at that time?

Mr. WOOD: I think he was at that time, but that was twenty-five years ago, and the minister has been associated since with an element which would change almost any man's mind. There is always hope for a man who will change his mind.

So far as I have had anything to do with the present mobilization act I have found it to be applied reasonably toward the farmer. I believe that reasonable and fair consideration has been given to the honest-to-goodness farmer. Wherever there have been irregularities, they have been largely owing to the fact that the rules and regulations were not followed.

May I mention one other matter by way of comparison. This government each year gives one billion dollars to the mother country to help win the war. Fortunately the Canadian people and all those who live on this part of the North American continent, where there is so much wealth, have not had to endure the hardships suffered elsewhere. Let me compare present conditions with what happened in the last war under a so-called National government. I have before me the proceedings, on Thursday, May 4, 1922, of the public accounts committee, of which some hon. members who are sitting here to-day were members. I should like to show the committee the mentality of the government of that day—I am sure it was not a Liberal government—and their attitude toward Great Britain. This is the party that wrap themselves in the flag of loyalty and boast about their British connection and their imperialistic views. Certain equipment had to be purchased for the Canadian forces in the war. When the war was over, it was decided to dispose of it. Certain influences were brought to bear from some friends of the government at that time who did not want a lot of that equipment dumped back in Canada. Accordingly they made arrangements with the British war office, and the result was that they sold equipment to the British war office at prices far in excess of what they paid for it. I will quote one section from the proceedings of the public accounts committee on May 4, at page 18. The witness, the late Major-General J. H. MacBrien, chief of the general staff of the overseas military forces, was asked the following questions by Mr., now Senator, Vien, Speaker of the Senate:

Q. Can you tell us what the result will show?
A. You mean the mechanical transport?
Q. Yes.
A. I can tell you in this way: I will give you one or two specific items. The Cadillac car, which was perhaps the thing most in use with the forces overseas, cost, I have been informed, the Canadian government somewhere about $1,700 wholesale price, and they were sold under this agreement to the war office at as high as £800.

That would be close to $4,000.

Mr. STIRLING: A Cadillac cannot be bought for that.

Mr. WOOD: I will continue.

Mr. Hanson: I think we had better refund them something.

That is the hon. member who is the ex-leader of the present Progressive Conservative opposition.

The Witness: I am mentioning both the minimum and the maximum. The usual price was from £500 to £600 for that type of vehicle, and taking the same vehicle all the way through the Canadian government made a very large profit and had the use of the vehicles in addition.

Mr. GRAYDON: Mr. Chairman, may I rise to a point of order? I seldom interrupt my hon. friend the member for Brant, but it does seem to me, in view of what the minister has said, and the commendations the hon. member has made of the minister's statement, that he might get on with the job. Perhaps we are entitled to have some explanation by the hon. gentleman as to how relevant this quotation is to the item of labour.

Mr. MacNICOL: It has not any relevancy.

Mr. GRAYDON: It is the Department of Labour which is now being discussed in the committee. It may be there is some connection, but I would like the hon. member's explanation.

Mr. MACKENZIE (Vancouver Centre): It is perhaps as relevant as the mention yesterday of the Winnipeg convention.

Mr. WOOD: I am prepared to say that what I am quoting is quite relevant to the situation. I qualified my remarks in the beginning by saying that we may learn from experience to plant lighthouses on the rocks of disaster so that we shall not suffer ship-

wreck. I bring this quotation before the committee to show that, though the government may have made some errors, a person's worth must not always be measured by his errors, but sometimes by the temptations he has avoided—which occurs very much more often than the errors. Some credit should be given to the government for its accomplishments, and hon. members should not always be emphasizing its mistakes. Ministers are only human, but I believe the Minister of Labour has made an honest attempt to give efficient direction, and as far as the manpower situation is concerned we have accomplished sufficient to make me willing to take the commendation which Mr. Churchill gave of Canada's contribution. I listened also to the Right Hon. Anthony Eden, and he made complimentary remarks about what our people have done. More recently, an eminent Chinese lady, Madame Chiang Kai-shek, referred to Canada as having given the greatest contribution per capita of any of the united nations. Surely such statements explode all the arguments which have been advanced against the government to-day.

The leader of the opposition interrupted me, but I should have liked to finish this record of evidence before the public accounts committee:

By Mr. Hanson:
Q. Were they worn?
A. Very much worn.

By Mr. Vien:
Q. If I understand rightly your statement, it is that in respect to the mechanical transport the government got from the Imperial government more than they had paid for it?
A. Yes.
Q. And made a profit?
A. Yes.
Sir Henry Drayton: Fifty per cent?

I draw this to the attention of the committee. I wish also to quote some other comments, emanating from the New York *World-Telegram,* concerning Canada's contribution. This is a sheet reproducing a series of articles written by William Bloeth. I will just read the headlines:

1. Canada convoying ships across Atlantic and supplying resources to war effort.

2. Canada produces both munitions and skilled help.

3. Canada now ranks as major builder of ocean carriers.

4. Canada becomes largest exporter of basic metals.

5. Alcan highway seen reviving interest in development of oil in western Canada.

6. Canada laying groundwork for bright post-war future. Increasing industrialization expected to trim dependence on other nations.

[Mr. Wood.]

It goes on to say:

Canadian arms are helping the Chinese, and Canadian clothing is warming the Russians. Russia has publicly acknowledged her indebtedness to Canada for some $50,000,000 of tanks that are the "best of our imported tanks."

The country sends some 15,000 tons of wheat to Greece each month as a gift and three-fourths of all hogs, representing a quarter of the total meat supply, was sent to Britain last year.

This writer is far enough away to get a proper focus. I will draw the attention of the leader of the opposition to the old saying that there are those who cannot see the forest for the trees. I think that is the situation with him. Here is another heading:

Canada's example is an inspiration to the United States.

Just think of that.

Mr. GRAYDON: Just think of it.

Mr. WOOD: Here is what this newspaper says:

In publishing such articles as these by William Bloeth, the New York *World-Telegram* is doing more than giving due recognition to the great dominion. It is holding up Canada's war record as one that will help the United States to set still higher goals in production and in war loan subscriptions, and to realize its own ability to pay still higher taxes. The United States, in its second year of war, can learn much from Canada as the dominion continues to set new records in this, her fourth war year.

After all, I would rather accept the conclusions of those whose opinions concerning Canada's war effort are not coloured by prejudice or preconception, and who try to give the facts as they present themselves in the actual working out of the country's war programme.

There are several matters I should like to comment upon. The fact is that agriculture, in spite of the shortage of help and the hardships which the farmers have had to labour under, produced the largest income last year that we have ever had. The weather conditions this year are such that it is difficult to say what the future may have in store for us, but even with the shortage of labour the farmer will do his best to see that this nation will have an abundance of food. There are some things that we shall probably have to go without, but let us remember that we cannot win wars without sacrifice.

So far as our Cooperative Commonwealth Federation friends are concerned, they wax eloquent about the necessity for farmers receiving higher prices, and in the next breath they urge that the labouring man be given higher wages. They forget that if the farmer receives higher prices, wages will go up, and if

wages go up, the things which the farmers buy will also rise in price. In other words, they attempt to ride two horses. The hon. member for Rosetown-Biggar (Mr. Coldwell) rather outdid himself in his speech when he referred to some of the actions of this government as reprehensible. I have come to the conclusion that the record of the C.C.F. in this country, the attitude that they have taken when we try to pass a measure in this house for the defence of Canada and their attitude at the present time, are not at all consistent. Their whole policy has been inconsistent from beginning to end, and I would hate to think what the future would have in store for Canada if that element of society were called upon to form a government.

So far as our Social Credit friends are concerned, I give them far more credit for sincerity. They believe that they have a solution for Canada's problems, and that that solution is largely in the direction of monetary reform. While I may not agree with them, at least they are reformers, and since Liberals have always been reformers, I feel at any rate that I have a good deal in common with them. Even if some of the things they advocate are far-fetched, I think they are consistent, because they have stuck to that one particular idea. But the C.C.F. will cater to almost any element or type of society, and as far as playing politics is concerned, they have the Conservatives and the Liberals beaten a long way. I am led to believe that an arrangement has been arrived at in Ontario for collusion between the C.I.O. and Mr. Joliffe in the forthcoming election which it is expected will take place in that province, and the hon. member for Vancouver East (Mr. MacInnis) and the hon. member for Cape Breton South (Mr. Gillis) will no doubt play their part in delivering the goods in this House of Commons. It is all arranged. However, I do not believe that the good people of Ontario will fall for that kind of trash. We in Ontario have worked hard to build up one of the best standards of living to be found on the North American continent. Just consider the fact that one in every five people in Ontario can drive an automobile and you will realize what their standard of living is. I do not think, therefore, they will throw caution to the winds and embrace every sort of economic proposal that is submitted to them by hon. members.

Mr. MacINNIS: There is one thing which the hon. member for Brant (Mr. Wood) said that pleases me, namely, that he has nothing in common with the members of this group, because nothing would convince me that we were absolutely wrong so much as to have anything in common with the hon. member for Brant, and I say that after listening to him for many years in this house. However, that is not what I rise to say. I hesitate to say anything at this late hour, but we are not likely to do any business this evening apart from a general discussion, and therefore I want to emphasize as strongly as I can some of the points made by the hon. member for Cape Breton South (Mr. Gillis) when he spoke earlier in the evening.

Undoubtedly we shall have a certain number of labour disputes no matter what our labour laws and regulations are, and no matter what the policy of the government may be. But there are two kinds of disputes that should not be allowed to develop or to stand in the way of a settlement, and that is the sort of dispute where one side or the other—and it is usually the employer—refuses to negotiate. Most, or at any rate a great many of our disputes are of that kind, and a dispute of that kind should not be allowed to continue. The Department of Labour has sufficient authority to deal with it.

Another dispute that should not be allowed to continue is the dispute that arises because the bargaining agency has not been determined. I have on a previous occasion mentioned to the minister my personal opinion that the moment a dispute arises in an industry as to which group should be the bargaining agency, a vote should be taken to determine that agency, and then the minister should exercise his authority to see that the bargaining is done through that group.

Those are two matters particularly that I wish to impress upon the minister, because it is impossible to resolve disputes if one side refuses to negotiate, or if the bargaining agency is not determined. These are the first essentials to the resolving of labour disputes.

There is another point in connection with the Canadian Ingersoll-Rand company matter. Two weeks ago I asked a question about a lay-off in this plant. The minister replied that he was informed that the reason for the lay-off was union activities. I do not know whether he has ascertained if that was the fact or not, but I tell him that if he has found out that these lay-offs occurred in a war industry where a company had transferred its work to another plant simply because its workers were organizing, because they were carrying out the right guaranteed them by order in council passed by this government,

then the minister is certainly falling down on his job if he has not brought that to the attention of the company.

I have just one or two words more to say and I shall conclude. We are not only building for the organization that will carry on this war; we are building for what will come after the war, and the government of the day can help to build a labour organization that will promote the prosecution of this war, and help the government to organize after the war; or on the other hand it can build up a working-class movement where there will be nothing but bitterness and frustration.

I want the minister to feel that anything I may say at the present time is not said in the way of carping criticism; it is not said to embarrass him. It is said to help him, because I am convinced that the questions I have mentioned will have to be dealt with and dealt with in no uncertain terms before we can get an orderly arrangement of labour affairs in this country.

Item agreed to.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Monday, June 28, 1943

The house met at three o'clock.

PRIVILEGE

MR. ST. LAURENT—REFERENCE TO REMARKS OF MR. LACOMBE IN DEBATE ON JUNE 25

Hon. L. S. ST. LAURENT (Minister of Justice): Mr. Speaker, I rise to a question of privilege. On Friday last the hon. member for Laval-Two Mountains (Mr. Lacombe) made a speech which was rather difficult to follow. However upon looking at the report I find that at page 4045 of *Hansard* he is reported to have made this statement:

Je comprends que l'honorable ministre de la Justice, bien qu'il soit un grand avocat, avocat de la Banque de Montréal, du Pacifique Canadien, de tous les monopoles et de tous les trusts, n'a pas beaucoup d'expérience parlementaire.

This is translated in the annex to *Hansard* as follows:

I realize that the hon. the Minister of Justice, while he is an outstanding barrister, acting as he does as solicitor for the Bank of Montreal, the Canadian Pacific, and every monopoly and trust, has not much parliamentary experience.

I am not quarrelling with the last part of the hon. member's statement. To the best of my recollection I never, during my thirty-seven years of practice, had the advantage of a single retainer from the Canadian Pacific Railway. I did at times act for the Bank of Montreal, and I did have other clients who were engaged in business affairs of some magnitude, but none of them were monopolies or trusts. During those years I devoted the whole of my time and attention to the practice of my profession. When I accepted the invitation of the right hon. the Prime Minister to become Minister of Justice I similarly felt that I should give my whole time and attention to the performance of the duties of that office. I severed all my connections with each and every one of those who had been my clients theretofore, and I resigned from every board of directors of which I had previously been a member. I have more than once stated that in public; and I repeat here that the assertion of the hon. member that I am acting as solicitor for the Bank of Montreal, the Canadian Pacific Railway or any other client, is absolutely contrary to the facts.

There are other assertions appearing in the report of the speech of the hon. member which may have to be dealt with, but which might more properly be considered when the hon. member is in his seat.

[*Later:*]

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, a moment ago my colleague the Minister of Justice drew my attention to a statement made by the hon. member for Laval-Two Mountains which is of a very serious character. I had not up to that time observed the remarks to which my colleague referred as well as others and I was not in the house at the time they were made, but I find them in *Hansard* in the official report of the English translation of speeches delivered in French on the date indicated. The hon. member is not in his seat at the moment, but one statement which he made is so serious that I feel no time should be lost in drawing Your Honour's attention to it and asking that it be dealt with in accordance with the means taken to protect the privileges of this house. The statement to which I refer is as follows:

We have here in the cabinet three new millionaires who have made their money since the war's outbreak. We shall denounce them at the proper time and place. Fortunes are being built up.

The proper time and place to make a statement of that kind is in this House of Commons with the hon. member simultaneously undertaking to prove the charge, or, if he is unable to do so, to resign his seat in this

house. I submit, Mr. Speaker, that the hon. member should be obliged either to withdraw the statement completely or else to convert it into a specific charge to be investigated in the usual manner, and the consequences of the investigation also to be followed up in the usual manner.

FOURTH VICTORY LOAN

STATEMENT WITH REGARD TO FINAL RESULTS

Hon. J. L. ILSLEY (Minister of Finance): I should like to make a statement with regard to the final results of the fourth victory loan campaign.

Total sales of bonds amounted to $1,308,985,500. This represented 2,669,111 subscriptions. These sales were made for payment in cash. The fourth victory loan, like the third victory loan, did not involve the issue of any new bonds against the surrender of maturing securities.

It will be recalled that the total objective for the fourth victory loan was set at $1,100,000,000, and that this objective was split, $500,000,000 for individuals covered by the general canvass and payroll canvass, and $600,000,000 for large investors, mostly business firms and corporations, covered by the special names canvass. Each of these objectives was exceeded.

Combined sales by the general canvass and payroll canvass amounted to $529,641,800, representing 2,661,759 subscriptions. In the special names canvass, 7,352 subscriptions were received for $779,343,700 par value of bonds.

The fourth victory loan was the largest public bond issue in the history of Canada. The outstanding feature of the loan was the tremendous increase in the number and amount of sales to individuals in the general and payroll canvasses.

By way of comparison, I wish to submit the following figures showing the results of each of the four victory loans:

Victory loan	Final results of campaign		Cash sales alone		
	Par value of bonds sold	No. of subscriptions	Par value of bonds sold	Of which: General and payroll canvass	Of which: Special names canvass
First	$ 836,820,250[1]	968,259	$ 730,376,250	$279,500,000	$450,876,250
Second	996,706,900[2]	1,681,267	843,127,900	335,638,200	507,489,700
Third	991,389,050	2,032,154	991,389,050	374,828,200	616,560,850
Fourth	1,308,985,500	2,669,111	1,308,985,500	529,641,800	779,343,700

[1] Includes $106,444,000 par value of conversion sales.
[2] Includes $153,579,000 par value of conversion sales.

This record of voluntary bond purchases by the public of Canada is tangible and convincing evidence of the united determination of Canadians to win the war—it is a declaration of faith in the future of our country. The impressive record of these loans is also a reflection of the valuable and vital work being done for Canada by the national war finance committee, the organization entrusted by the government with the responsibility of carrying out our wartime public borrowing operations. The tens of thousands of men and women throughout Canada who are associated with this committee may well be proud of their contribution to the steady progress of Canada's wartime savings program.

In the budget speech delivered on March 2, 1943, I referred to the fact that some subscribers to victory loans dispose of their bonds over the period following the termination of the public campaign. I should like to take this opportunity to reiterate the statements I made at that time with regard to this practice.

Victory loan bonds are the property of their individual owners who have the right to sell them at any time they may desire. This right has always existed. No restrictions on the sale of bonds have been considered by the government at any time. When a person buys a victory bond, that person is making it possible for Canada to get the men and materials needed for war use, and, in addition, is helping

to fight the home-front battle against inflation. When people sell their bonds, they are withdrawing this help. I recognize the fact that emergency needs for cash are perfectly legitimate reasons for selling bonds or presenting war savings certificates for redemption provided the person has no other form of savings which can be used, or provided the person cannot obtain a temporary loan, to be repaid out of future income, to meet the immediate need for cash. But sales of bonds to get dollars to buy things that are not essential are not justifiable. Unless it is absolutely necessary to sell victory bonds, it is every person's patriotic duty, and in his own best interests, to hold on to his bonds for the duration of the war at least. Buying bonds is important; holding on to them is equally important.

On February 9, 1943, I tabled a statistical compilation showing a classification of the sources of subscriptions, at time of issue, to the first, second and third victory loans. For the information of the house, I am tabling a statement in similar form showing the estimated derivation of subscriptions, at time of issue, to the fourth victory loan, together with comparable figures for the three previous victory loans.

All figures in regard to the fourth victory loan are subject to final verification on the receipt of reports of actual deliveries by banks, trust and loan companies. The figures which I have used and which appear in the statement I have tabled reflect the final reports received in Ottawa from the field organization of the national war finance committee.

National War Finance Committee
Canada

First, Second, Third, and Fourth Victory Loans

Estimated Derivation of subscriptions at time of Issue

The attached memorandum contains the estimated derivation of subscriptions, at time of issue, to the first, second, third, and fourth victory loans. Figures in regard to the fourth victory loan are preliminary, as the final results of this loan are not compiled.

The subscriptions to each loan are divided into two broad classes, designated "individuals" and "non-individuals".

The class designated individuals includes two sub-divisions, described as "special names" and "all others". The amounts shown for special names represent subscriptions received in the special names canvass from individuals believed to be capable of buying $25,000 or more par value of bonds at the time of each issue. The amounts shown for all others represents the combined total of subscriptions received in the general and employee canvasses. General canvass subscriptions include sales to small commercial and small non-profit bodies, the aggregate subscriptions from which would be relatively small in proportion to the total amount shown opposite the designation "all others".

The non-individuals class has been subdivided to show subscriptions from banks for their own account; government accounts; insurance companies, pension funds, etc., and savings banks; and miscellaneous, this latter group reflecting, with minor exception, subscriptions from business firms and corporations.

These data have been compiled by the national war finance committee from information obtained at the time of public offering of the loans, and from other sources. The data should be regarded as estimates, and the results of the fourth victory loan should be regarded as subject to revision when final figures with respect to this loan become available.

June 19, 1943.

NATIONAL WAR FINANCE COMMITTEE

CANADA

VICTORY LOANS—ESTIMATED DERIVATION OF SUBSCRIPTIONS AT TIME OF ISSUE

(Dollar figures in millions)

Item	First Victory Loan			Second Victory Loan			Third Victory Loan	(Preliminary) Fourth Victory Loan
	Cash	Conversion	Total	Cash	Conversion	Total	Cash	Cash
	$	$	$	$	$	$	$	$
ALL SUBSCRIPTIONS	730·4	106·4	836·8	843·1	153·6	996·7	991·4	1,309·0
(a) Individuals (1)	316·0	35·3	351·3	364·6	1·0	365·6	401·1	566·8
(b) Non-Individuals	414·4	71·1	485·5	478·5	152·6	631·1	590·3	742·2
INDIVIDUALS								
(a) Special Names	36·5	0·8	37·3	29·0	1·0	30·0	26·3	37·2
(b) All Others (1)	279·5	34·5	314·0	335·6	.....	335·6	374·8	529·6
NON-INDIVIDUALS								
(a) Banks—Own Account	6·7	42·5	49·2	.....	117·5	117·5	0·5	0·5
(i) Bank of Canada	.....	7·0	7·0	.....	1·7	1·7	.....	.....
(ii) Chartered Banks	6·7	35·5	42·2	.....	115·8	115·8	0·5	0·5
(b) Government Accounts	31·6	.....	31·6	47·1	.....	47·1	54·5	85·2
(i) Federal	9·9	.....	9·9	19·6	.....	19·6	22·7	30·8
(ii) Provincial	21·7	.....	21·7	27·5	.....	27·5	18·6	34·1
(iii) Municipal and School							13·2	20·3
(c) Insurance Companies, Pension Funds, etc., and Savings Banks	95·5	22·2	117·7	125·6	23·9	149·5	179·1	203·2
(i) Life Insurance Companies	88·9	20·4	109·3	114·7	23·4	138·1	155·2	167·0
(ii) All Other Insurance Companies	6·6	1·8	8·4	10·9	0·5	11·4	12·4	15·5
(iii) Associations, Unions, Pension and Benevolent Funds	(2)	(2)	(2)	(2)	(2)	(2)	9·0	16·1
(iv) Quebec Savings Banks	(2)	(2)	(2)	(2)	(2)	(2)	2·5	4·6
(d) Miscellaneous	280·6	6·4	287·0	305·8	11·2	317·0	356·2	453·3
(i) Mining Companies	39·1	.....	39·1	29·4	8·5	37·9	43·6	54·7
(ii) Trust Companies, Investment Trusts, Mortgage and Loan Companies, and Real Estate Companies	(2)	(2)	(2)	(2)	(2)	(2)	11·3	17·5
(iii) Colleges, Churches, Hospitals, and Charitable Organizations	(2)	(2)	(2)	(2)	(2)	(2)	3·3	3·3
(iv) All Others, being practically all subscriptions from Business Firms and Corporations	241·5	6·4	247·9	276·4	2·7	279·1	298·0	377·8

(1) Includes small commercial and small non-profit bodies, the aggregate subscriptions from which would be relatively small part of total.

(2) Not separately calculated, included under Sub-section *(d)* (iv).

RADIO

INTER-AMERICAN AGREEMENT RELATING TO FREQUENCY ALLOCATION, ETC.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I wish to table copies in English and French of the inter-American radio agreement signed at Santiago on January 26, 1940, and adhered to by Canada on May 8 last. This agreement supersedes the inter-American radio arrangement signed at Havana on December 13, 1937, which Canada later approved on December 22, 1938. The agreement is an undertaking, of a technical nature, relating to frequency allocation for the different services on the American continent, frequency tolerances, international police radio and amateur third party messages.

Mr. GORDON GRAYDON (Leader of the Opposition): Does the right hon. gentleman recall whether or not this agreement deals with the short-wave systems?

Mr. MACKENZIE KING: I do not recall at the moment.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

NATIONAL FILM BOARD

Mr. HANSELL:

1. What are the names of the members of the national film board?
2. What is the organizational set-up of the board; how many are employed, and in what position?
3. How many films have been released to, (a) motion picture theatres; (b) for other use?
4. How many films in the Canada Carries On series have been released up to the 31st May, 1943?
5. What remuneration has been received from motion picture theatres for use of films up to May 31, 1943?
6. What was the total cost of the national film board, and its work for each year of its operation?

Mr. LaFLECHE: Mr. Speaker, in asking that this question be made an order for a return, there is a reservation in regard to part 5 of the question, which has been explained to the hon. member for Macleod.

Mr. GRAYDON: An explanation may have been given to the hon. member for Macleod, but this is a question in which the whole house is interested. I would ask the minister to indicate the special reasons for the reservation.

Mr. LaFLECHE: The point is that the national film board advise me that it would not be in the public interest to give figures of rentals received from motion picture theatres for the use of the board's films, because, they say, it would be of assistance to the board's competitors.

Mr. GRAYDON: I protest and raise an objection. I am going to ask the minister to remove his reservation with respect to part 5 of the question, because it asks for information which the house is entitled to have. Certainly "in the public interest" is being stretched to cover matters which this house should not allow.

Mr. LaFLECHE: The remarks made by the leader of the opposition raise an interesting point. This is not the first time that this has been done since I have been in the house. The point is that the national film board is in some respects in competition with commercial companies; it is in the national interest that they have full right to make as good a bargain as they can, and they should not be put in a disadvantageous position by reason of information being made public. I shall be glad to give the hon. member privately the reasons for the reservation, as I have done to the hon. member for Macleod. It is the position taken by the national firm board that makes necessary the reservation. I think it is the traditional position taken by them.

Mr. HANSON (York-Sunbury): That explanation is not good enough. This is a government board. These figures refer to national revenue and national expenditure; surely we are not going to vacate our position in matters of that kind. Who set up the national film board to say what is and what is not in the public interest? Parliament should decide that.

Mr. HANSELL: As this question stands in my name and I happen to be in my seat, perhaps I may have a word. One of the officials approached me with respect to part 5 of the question and explained what the minister has already explained to the house. I can see that the point is not one of public expenditure but rather the question whether the amounts received by the film board from motion picture companies, as a result of its films being shown, should be made public. I readily understood that perhaps it might not be in the public interest to reveal these figures to the board's competitors who are in the motion picture business. Having been advised that I would receive the information for my personal use, I assumed the same thing would apply to every member, so that the information would not necessarily become public property. Under these conditions I agreed that there should be a reservation with respect to part 5 of the question.

Mr. GRAYDON: I am going to ask the hon. member and the minister to allow this question to stand. I think there should be opportunity for consideration of the matter. The minister is going entirely too far when he suggests that the national film board shall determine for the House of Commons and the Canadian people what information it is in the public interest to produce. Largely upon that principle I am going to ask the minister to allow the question to stand, so that further consideration can be given to it. I am sure the Prime Minister will agree that we must not lightly create any precedent on a principle of this kind.

Mr. MACKENZIE KING: May I say to my hon. friend that I did not understand that the minister was doing more than giving an expression of the view of the film board as conveyed to him. He did not take the responsibility of saying whether the board was right or wrong. I think my hon. friend the leader of the opposition is quite right in raising the point he does and in asking that the question should stand; later the minister might answer it on his own responsibility.

Question stands.

ST. HILAIRE, QUE., SUGAR REFINERY—
PRIORITIES ON MACHINERY

Mr. DORION:

1. Did the Minister of Munitions and Supply go to Washington to assist in obtaining priorities on machinery to be used in the installation of a sugar refinery at St. Hilaire, Quebec?

2. If so, (a) on what date; (b) who paid the travelling expenses?

Mr. CHEVRIER:

1. Whilst in Washington on business connected with the war production programme the minister assisted in the matter of obtaining priorities on the machinery to be used in the installation of the sugar refinery at St. Hilaire, Quebec.

2. (a) March 13 or 14; (b) the government of Canada.

WARTIME PRICES AND TRADE BOARD—
OTTAWA TEMPORARY BUILDING

Mr. BENCE:

1. On what date was construction commenced on a new temporary building for the wartime prices and trade board in the city of Ottawa?

2. On what date is it anticipated that construction will be completed?

3. What is the anticipated number of man-hours that will be used on the construction of the building?

4. What is the estimated number of feet of lumber that will be used in the whole construction?

5. What is the estimated weight of the nails that will be used in the whole construction?

6. What is the total amount of cement that will be used in the whole construction?

Mr. FOURNIER (Hull):

1. May 18, 1943.
2. July 28, 1943.
3. 95,500 man-hours.
4. 773,000 feet B.M.
5. 8,810 pounds.
6. 2,500 barrels.

SHORTAGE OF DOCTORS AND NURSES—
CLOSING OF HOSPITALS

Mr. NICHOLSON:

1. Have any hospitals in Canada been closed since the outbreak of war as a result of, (a) shortage of doctors; (b) shortage of nurses; (c) for other reasons?

2. If so, how many?

Mr. McLARTY:

1. (a) No official information; (b) no official information; (c) yes.

2. Zeballos, B.C., 9 beds, closed 1942 (Red Cross); War Memorial Hospital, Williams Lake, B.C., 23 beds, closed 1942; Red Cross Outpost Hospital, Armstrong, Ont., 5 beds, closed 1942; Hotel-Dieu de Sherbrooke, Sherbrooke, Que., 44 beds, closed 1941 (privately owned); St. Roch's Hospital, St. Boniface, Man. (contagious diseases); Fort Rae, N.W.T., 87 beds, closed 1942; Vanguard Union Hospital, Vanguard, Sask., 14 beds, closed 1941; Canmore Hospital, Canmore, Alta., 12 beds, closed 1941; Gloucester Hospital, Bathurst, N.B., destroyed by fire, 1941; re-opened as Hotel-Dieu of St. Joseph, 1942.

INTERNMENTS—CAMILLIEN HOUDE

Mr. LACOMBE:

1. Is Mr. Camillien Houde detained under section 21 of the defence of Canada regulations?

2. If not, under what statute or regulation?

3. Has Mr. Camillien Houde been officially informed of the reasons for his detention?

4. If so, where and when?

5. Before his arrest, was a charge laid against Mr. Houde?

6. If so, when, and what is the nature of such charge?

Mr. ST. LAURENT:

1. Yes.

2. Answered by No. 1.

3. Yes.

4. In the office of the officer commanding the R.C.M.P. at Montreal, August 3, 1940,

and in writing forwarded to him at Fredericton, May 22, 1943, immediately after he made a request for a hearing.

5. No information.

6. Answered by No. 5.

WARTIME PRICES AND TRADE BOARD—EMPLOYEES RECEIVING OVER $3,000 A YEAR

Mr. DIEFENBAKER:

1. Who are the employees who receive over $3,000 a year in the employ of the wartime prices and trade board, and where are they located?

2. What honorarium, living or other allowance, and travelling expenses, have been paid to each of the said employees since appointment?

3. Which of said employees are permanent civil servants? Which were appointed under the Civil Service Act?

Mr. HANSON (York-Sunbury): The government has scored an almost perfect record in answering questions to-day. I think four out of 43 have been answered. I want to know why the first question on to-day's order paper, which has been standing for six weeks, is not answered. It could have been answered long ago, if proper records are kept at the head office of the wartime prices and trade board.

Mr. ILSLEY: My parliamentary assistant could answer that better than I, but I suspect that the answer is that the work of compiling and segregating and copying such items as travelling expenses is very onerous. Answering many of these questions takes a good deal of time and is very expensive. I may say that never since I have been in the House of Commons have I seen so many questions requiring long answers asked by an opposition. It is the opposition's right.

Mr. HANSON (York-Sunbury): And duty.

Mr. ILSLEY: —but when the government asks, as it did to-day, that a number of questions stand, it is because of the enormous mass of work which is cast on the government and the overworked staffs of the government in compiling difficult and long answers to questions.

Mr. HANSON (York-Sunbury): I hope the inference is not that we should not ask questions.

Mr. ILSLEY: I did not make any such inference at all.

Mr. DIEFENBAKER: I cannot understand this explanation from the minister in regard to the failure to answer this question.

Some hon. MEMBERS: Order.

[Mr. St. Laurent.]

Mr. DIEFENBAKER: It is not the explanation for the failure of the government to answer it. I object very strongly to the minister suggesting that any question I ask is not being answered because of the amount of clerical help which it will require. There is another explanation, and I think the minister in fairness to me had better explain that it is the government that is holding up the answer—

Some hon. MEMBERS: Order.

Mr. DIEFENBAKER: —and that the reason is not that it is going to take much time to prepare the answer.

Mr. ILSLEY: If there is another answer I am not aware of it. But I was asked by the hon. member for York-Sunbury (Mr. Hanson) on a day when my parliamentary assistant was not present, and I said that he could give the answer better than I, but I suspected the answer was the one which I gave.

Mr. DIEFENBAKER: The suspicion is not correct.

Mr. ILSLEY: I do not know about that.

QUESTIONS PASSED AS ORDERS FOR RETURNS

FINANCIAL ASSISTANCE TO GALT, ONT., INDUSTRIES

Mr. NOSEWORTHY:

1. What is the total financial assistance given to each of the following companies since the outbreak of war by the government of Canada and/or the British government, (a) Babcock-Wilson and Goldie-McCullough Limited; (b) Shirley-Dietrich-Atkins Company Limited; (c) Canadian Machinery Corporation; (d) Whitehall Machinery and Tools Limited; (e) Galt Brass Company Limited; (f) J. A. M. Taylor Tool Company Limited; (g) R. McDougall Company Limited; (h) Galt Malleable Iron Company Limited; (i) Galt Metal Industries Limited, all of Galt, Ontario?

2. What is the total value of Canadian and/or British government machinery or tools of any kind installed in each of the above-named companies' plants since the outbreak of war?

3. What is the amount of depreciation (accelerated or other) allowed each of the above companies per year since the outbreak of war by arrangements of the depreciation board?

4. What percentage of each company's capital outlay for extension and equipment of its plant is permitted each year by the depreciation board, and over how many years do these arrangements apply?

DISALLOWANCE OF PROVINCIAL ACT

Mr. GREEN:

1. What provincial acts have been disallowed since the year 1920?
2. What were the respective reasons for the disallowance of such acts?
3. Upon what dates were such acts disallowed?

Mr. ST. LAURENT: Although this is something to be dealt with entirely by the Justice department, I hope the hon. member will agree that the question should be made an order for a return. The reasons asked for would extend over several pages.

Mr. GREEN: That is quite satisfactory.

MOBILIZATION ACT—FAILURE TO REPORT

Mr. SHAW:

1. By divisions, what was the actual number of persons called for military service under the provisions of the National Resources Mobilization Act?
2. What percentage of those who were called in each division failed to report voluntarily?
3. What percentage of those called for military service from each division still remain unaccounted for?
4. Of those who did appear following call, how many applied for exemption on the grounds that they were conscientious objectors?
5. What percentage, in each division, of those who applied for exemption as conscientious objectors were actually exempted from military service?
6. By administrative divisions, what percentage of those who were apprehended following failure to report for military service or alternate work service were, (a) jailed or jailed and also fined; (b) given the option of fine or jail sentence?
7. What was, (a) the average fine imposed in each administrative division; (b) the average jail sentence imposed?
8. By administrative divisions, what percentage of those who were fined were assessed, (a) more than one hundred dollars; (b) less than twenty-five dollars?
9. Of those who were jailed in each division, what percentage received sentences of, (a) one year or more; (b) less than thirty days?

FUEL SHORTAGE

Mr. McGIBBON:

1. How much money has been paid by the government in fuel wood subsidies to date?
2. (a) What is the estimated quantity of fuel wood cut to date in the year 1943; (b) what was the estimated quantity cut in the corresponding period of 1942?
3. (a) What is the estimate of the total supply of fuel wood that will be available on December 1, 1943; (b) what are the estimated total requirements of fuel wood for the winter season of 1943-44?
4. Are fuel wood reserves in excess of local needs being accumulated for distribution to large centres such as Montreal, Toronto, etc.?
5. (a) What quantity of coal was available June 15, 1942; (b) what quantity was available June 15, 1943?
6. What steps have been taken by the government, other than fuel wood subsidy, to alleviate any possible fuel shortage in the coming winter?

POTATO SUPPLY

Mr. BENCE:

1. Is there a shortage of potatoes in any sections of Canada?
2. If so, in which sections is there such shortage?
3. Is there a surplus of potatoes in any sections of Canada?
4. If so, in which sections is there such surplus?
5. Have any American potatoes been imported into this country since 1st January, 1943?
6. If so, what was the total amount so brought in?
7. Was any government subsidy paid with respect to any such potatoes? If so, what amount?
8. What steps are being taken by the government to ensure that Canadian potatoes, in those sections of the country in which there is a surplus, are used before any potatoes are imported?

COAL SUBSIDIES—NOVA SCOTIA

Mr. GILLIS:

1. How many tons of coal were mined, (a) in 1941; (b) in 1942, by each of the following companies: Dominion Coal Company, Acadia Coal Company, Nova Scotia Steel and Coal Company, Cumberland Railway and Coal Company?
2. Were any subsidies paid by the government to any of the above-noted companies in 1941? If so, what were the total amounts, on what basis were they paid, and at what rates?
3. Were any subsidies paid by the government to any of the above-noted companies in 1942? If so, what were the total amounts, on what basis were they paid, and at what rates?
4. Were any special depreciation allowances made to the above-noted companies in 1941? If so, what were the amounts?
5. Were any special depreciation allowances made to the above-noted companies in 1942? If so, what were the amounts?
6. What were the net profits of each of the above-noted companies in 1941 and 1942?
7. What taxes were paid by each of the above-noted companies in 1941 and 1942?

R.C.A.F.—OSTEOPATHS

Mr. SHAW:

1. Has the Royal Canadian Air Force considered at any time since the outbreak of war the enlistment of osteopaths?
2. Was a bulletin issued at any time inviting osteopaths to enlist in the Royal Canadian Air Force? If so, upon what date was such bulletin issued?

3. What were the stipulated qualifications required of osteopaths who were invited to enlist in the R.C.A.F.?

4. Was a bulletin issued at any time indicating the duties which enlisted osteopaths would be obliged to perform? If so, what were the said duties?

5. How many osteopaths have been enlisted as such into the Royal Canadian Air Force since the outbreak of war?

6. What rank was granted to each osteopath who enlisted?

7. Were any of the enlisted osteopaths officially advised that they would be granted promotion as they showed their ability in their profession?

8. Have any of the osteopaths who enlisted as such in the Royal Canadian Air Force been permitted to give osteopathic treatment to personnel of the Royal Canadian Air Force?

9. Have any of the osteopaths who enlisted as such in the Royal Canadian Air Force been given the opportunity to remuster or secure discharges?

10. Of the osteopaths who enlisted as such in the Royal Canadian Air Force, how many have been granted commissions?

VULCAN AIR TRAINING SCHOOL

Mr. HANSELL:

1. What are the names of companies or individuals having done contract work or subcontract work on the Vulcan air training school?

2. What amount did each receive for work done?

3. What companies or individuals have done or are doing work on the water pipeline for this school; how much has each been paid, and what is the estimated total cost?

DEPARTMENTAL NEWS RELEASE SERVICES

Mr. BENCE:

1. How many departments of the government have special news releases of their own?

2. What are the names of such departments, and how many such releases are sent out by each department per month?

3. What coordination is there in the dissemination of the news contained in such releases with that released by the wartime information board?

OTTAWA GIRLS' HOSTEL

Mr. MacINNIS:

1. What was the total cost of, (a) the building; (b) the furnishings and equipment of the girls' hostel, Laurentian Terrace?

2. What number of persons will the building accommodate?

3. How many are in residence there now?

4. (a) What are the rates charged; (b) on what basis are the rates determined?

5. Has the Ottawa housing registry committee approved of these rates?

6. What are the regulations regarding hours and supervision?

7. What is the total number of staff employed?

8. How was the staff appointed?

[Mr. Shaw.]

MOTIONS FOR PAPERS

INTERNATIONAL CURRENCY CONFERENCE

Mr. QUELCH:

For a copy of reports and recommendations of the Canadian representatives who attended the conference at Washington dealing with the stabilization of international currencies, summitted to the Canadian government, any department thereof, or Bank of Canada.

Mr. ILSLEY: One of these days I shall be making a statement to the house with regard to this matter, and in the meantime I should like this question to stand. There are no recommendations or reports—at least, if I understand the sense of the question.

Motion stands.

WARTIME HOUSING LIMITED—WINNIPEG

Mr. KNOWLES:

For a copy of all letters, telegrams, memoranda and other documents exchanged between Wartime Housing Limited, or any official thereof and the city of Winnipeg or any official thereof, dated since April 1, 1941; also for a copy of all letters, telegrams, documents and memoranda exchanged between the Department of Munitions and Supply, or any official thereof, and the city of Winnipeg, or any official thereof, relating to housing in the city of Winnipeg, dated since April 1, 1941.

WARTIME HOUSING LIMITED—WINNIPEG

Mr. KNOWLES:

For a copy of all correspondence, dated since January 1, 1942, received by Wartime Housing Limited, the Department of Munitions and Supply, and/or by any other department or official of the government, from any individuals or organizations, relating to the proposal of Wartime Housing Limited, to erect permanent houses in the city of Winnipeg.

R.C.A.F.—OSTEOPATHS

Mr. SHAW:

For a copy of air force recruiting bulletin No. 271; also for a copy of all correspondence, including letters and telegrams, passing between the Department of National Defence (air services) and any official thereof, and any person or persons respecting the enlistment of osteopaths into the Royal Canadian Air Force.

POST-WAR CIVIL AVIATION

PROPOSED ANGLO-AMERICAN CONFERENCE—CANADIAN REPRESENTATION

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I ask the Prime Minister

if he is in a position yet to make any announcement as to when the proposed Anglo-American civil aviation conference will be held? Press dispatches from Washington indicate that this meeting was originally set for June, but now may be delayed until September. Also I should like to have the Prime Minister assure the house that Canada will be represented at the conference.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have no comment to offer in answer to my hon. friend's question. It is based on a press dispatch from Washington which appears, I understand, in the Montreal *Gazette* of to-day. It may be a trial balloon intended to draw information from the comment it may provoke here, which might be used in London and possibly in Washington itself. In the circumstances I do not think I should make further comment at the moment.

Mr. GRAYDON: In other words, the Prime Minister is not going to be a trial balloonist.

LEGATIONS

INQUIRY AS TO EXCHANGE OF REPRESENTATION BETWEEN MEXICO AND CANADA

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I ask the Prime Minister if the government has received any request from the Mexican government asking that a Canadian minister to Mexico be appointed? If so, has the Mexican government indicated that it desires to appoint a minister to this country?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Conversations or exchanges of views between governments looking toward the exchange of diplomatic representatives between countries are from the nature of the case necessarily confidential. I am not therefore in a position to answer my hon. friend's question. I would say however that the government is fully aware of the importance of developing closer and more direct relations between Canada and other friendly countries. I hope to be able to make announcements in the house from time to time of the advantage the government has taken of opportunities to that end as they may arise.

Mr. GRAYDON: Consideration is given, in other words?

72537—258½

Mr. MACKENZIE KING: To wider diplomatic representation, yes, with several countries.

CIVIL SERVICE

PRESS REPORT AS TO DISSOLUTION OF ADVISORY COMMITTEE

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): May I ask the Minister of Finance, in view of local newspaper reports which point to an early dissolution of the advisory committee on civil service matters, whether or not the Coon committee is being discontinued, and if so, what are the government plans with respect to the constitution of a new committee to carry on its work?

Hon. J. L. ILSLEY (Minister of Finance): This Coon committee has not been discontinued, and—

Mr. SPEAKER: Order. I do not wish to interrupt the Minister of Finance, and I desire to give as much latitude as possible to the leader of the opposition, but I think that in this case the rule of the house to which I have called attention must be complied with.

Mr. HANSON (York-Sunbury): The minister is willing to answer.

HALIFAX HOTEL PROPERTY

QUESTION AS TO PURCHASE OR LEASE BY THE GOVERNMENT

On the orders of the day:

Mr. P. C. BLACK (Cumberland): Will the Minister of Justice confirm or supplement the replies he made to a question which was passed as an order for return on May 13, with regard to purchase of the Halifax Hotel, Halifax, Nova Scotia? The replies brought down at that time were not accepted by a great many people in Nova Scotia, and there has been a recent report with respect to this transaction.

Hon. L. S. ST. LAURENT (Minister of Justice): I am very sorry if anyone was unable to accept the answer which was made. The answer was in accordance with the facts at that time. There have been subsequent facts with respect to which I shall be glad to supply an additional answer if the hon. member wishes it.

Mr. BLACK (Cumberland): I should like the minister to supply the house with that information.

LABOUR CONDITIONS

STRIKES IN QUEBEC SHIPYARDS

On the orders of the day:

Mr. KARL K. HOMUTH (Waterloo South): May I ask the Minister of Labour if he has anything further to say with respect to the settlement of the strikes at the shipyards in Quebec, apart from what has appeared in the newspapers?

Hon. HUMPHREY MITCHELL (Minister of Labour): No. I have not had forwarded to me yet the terms of settlement, but I think my hon. friend will agree that we are glad to see the men back at work.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Friday, June 25, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Donnelly in the chair.

DEPARTMENT OF LABOUR

Vocational training of discharged members of Canada's armed forces, $525,000.

Mr. HANSON (York-Sunbury): I was not here during the latter part of the session on Friday evening. Am I to understand that the general discussion on this resolution, so far as it relates to the Department of Labour, has been completed?

The ACTING CHAIRMAN (Mr. Donnelly): Yes.

Mr. HANSON (York-Sunbury): And therefore it would not be in order to discuss a particular item until it is called?

The ACTING CHAIRMAN (Mr. Donnelly): That is right.

Mr. HANSON (York-Sunbury): Then I will sit down.

Mr. GRAYDON: Before this item carries, the question of vocational training of discharged members of Canada's armed forces requires something more than simply the passing of an item. It has to do with a subject in which there is more than usual interest throughout the dominion, and one which forms a vital part of the whole rehabilitation programme and the plan for settling and rehabilitating our men when the war is over.

[Mr. P. C. Black.]

The vocational training of discharged members of Canada's armed forces, and the plans which have been made in connection therewith, may I think properly form the subject of some consideration by this committee at this time, because on many occasions complaints have been made by the public with regard to the manner in which men who have been discharged from the armed forces are being treated in Canada. I realize that perhaps in many instances these reports are without foundation, but it is most important that the government should see to it that, of all classes of our people to whom attention is paid at this time, consideration is given to discharged members of the armed forces, because of the fact that they constitute the major section of the population and, further, because of the sacrifices they are prepared to make on behalf of the country. I should like the minister to indicate to the committee what the plans are with respect to this vocational training. If the minister will give me his attention—

Mr. MITCHELL: I am giving it. Don't worry.

Mr. GRAYDON: I would ask the minister to give the committee the benefit of his information with regard to the number of discharged soldiers who have either begun or have been offered or have completed training under this particular item. What plans are contemplated for the future? Will the minister also give some information as to the type of vocational training which the government has in mind for men who have been discharged from the armed forces?

Mr. MITCHELL: As my hon. friend is probably aware, the Labour department merely takes care of training through the instrumentality of the training section of the department. Up to date 1,200 returned men have been trained or are being trained. The course of training is similar to that undertaken under the general training scheme. There is a choice on the part of the men for the kind of training they wish to undertake, and I need hardly tell my hon. friend that it is simply a matter of training them and putting them to work, because there is no dearth of employment, as there was following the last war, after training is completed. The real problem will come when the war is over, but plans are laid under the act passed last year to set in motion policies that will have for their purpose the training of men discharged from the armed forces at the conclusion of the war.

Mr. HANSON (York-Sunbury): I am sorry the Minister of Mines and Resources is not in his place, because I had a communication this morning from a returned veteran in British Columbia who applied in November last for an allotment under the land settlement scheme. He has never heard a word about it since. Is that the kind of attention the Department of Labour will give returned veterans?

Mr. MITCHELL: If any member of this house has knowledge of delay in connection with the training of any veteran who has returned from this war, I shall be glad to hear about it.

Mr. MACDONALD (Brantford City): I have made an inquiry of the department in regard to a man who desired to go on the land, and I have been informed that the department is being organized by provinces and that all the provinces are not yet organized, so that men who are applying from some provinces may not yet have received word.

Mr. HOMUTH: What are you—an apologist for the department?

Mr. MACDONALD (Brantford City): The member for York-Sunbury has told of his experience with the department, and I have just as much right to tell of my experience.

Mr. HANSON (York-Sunbury): On a question of privilege, I did not refer to my own experience but to the experience of a veteran. I have taken the matter up in a courteous way with the associate director and I have no doubt I shall get a satisfactory explanation.

Mr. MACDONALD (Brantford City): May I continue to tell of my experience with the department? I have inquired with reference to men who are now serving in the imperial army. In fact, some of them have been taken prisoner, and it is my information from officials of the department that they will evolve a plan under which men who are now serving in the imperial forces and also in the Canadian forces will be given an opportunity when they return to go on the land. In all my dealings with the department I have had nothing but prompt replies.

Mr. PERLEY: I have had one or two inquiries with regard to this—

Mr. MITCHELL: On a point of order, I have nothing whatever to do with the farm settlement scheme, and there is nothing in these estimates of mine dealing with it. I suggest that if members have questions with reference to that scheme, they wait until the Minister of Mines and Resources is here.

Mr. PERLEY: What I have to say does not happen to refer to farming. It is another matter. These men who have returned are anxious to know how to proceed in order to take advantage of this opportunity, and I think a great deal of publicity should be given to the regulations. I was going to ask the minister what publicity they are being given, and what percentage of the men already discharged have made application for training. I believe a very small percentage of those who would like to take advantage of it have made application.

Mr. MITCHELL: I meant to point out in replying to the leader of the opposition that the returned men in question are referred to us by the Department of Pensions and National Health. If my memory serves me correctly, about 93,000 men have been discharged from the armed forces, and as I indicated a moment ago, 1,200 are receiving training under the auspices of the Department of Labour. In view of the comparative ease with which a job can be obtained at the present time it appears to us that most of the men who have been discharged from the armed forces do not bother much about training, because they can get a job without it. I suppose it is the natural thing to do.

Mr. HANSON (York-Sunbury): Are the men given any choice? Is it not up to the department to see that they have the opportunity to take advantage of this training?

Mr. PERLEY: I understand, then, that in the mines and resources estimates there will be an item similar to this; or will they work on part of this vote?

Mr. MITCHELL: What I meant was that I have no jurisdiction over the soldier settlement plan.

Mr. PERLEY: No portion of this money is used for that plan?

Mr. MITCHELL: No, none at all.

Mr. GREEN: The minister has mentioned a fact that is well known to all of us—that most of these discharged men are able to find work. But suppose a man does not wish to stay at that work for the rest of his life; suppose he wants to get training for some other type of

work. Can he get any assistance as long as he is employed? I have received complaints to the effect that if a discharged soldier is working he is not eligible for assistance. For example, could he get help to enable him to go to night school, or to take a correspondence course, or to get training in some other way for an occupation different from that in which he happens to be engaged at the present time?

Mr. MITCHELL: Of course there are what are called vocational advisers attached to the major offices under the unemployment insurance commission, and when a returned man wants training, his case is investigated by one of these vocational guidance officers. I do not know why he would be refused that assistance, because we are only too anxious to get people to train.

Mr. GREEN: If a discharged man has a job and is working, can he get help in order to train for some other job?

Mr. MITCHELL: Yes, he could attend evening classes; there is no objection to that.

Mr. GREEN: Is the minister sure that man would get financial help in order to attend classes in the evening, for example?

Mr. MITCHELL: Of course my hon. friend understands that it would have to be an approved course. If the man took these evening classes in his spare time, as many civilians do, I should not think he would expect to get paid twice.

Mr. GREEN: But will the department pay for his tuition at that evening class?

Mr. MITCHELL: Absolutely.

Mr. GREEN: And will the department pay for a correspondence course?

Mr. MITCHELL: It has to be an approved course. At the moment I could not go as far as to include a correspondence course.

Mr. HANSON (York-Sunbury): Where are these training classes held?

Mr. MITCHELL: At vocational and technical schools all over the country.

Mr. SENN: I do not suppose agriculture is included in these trades and occupations?

Mr. MITCHELL: As yet we have not established any classes in agriculture for returned soldiers.

Mr. SENN: Reference was made a few moments ago to the Veterans' Land Act. I understood from what took place in the committee that certain training would be given to soldiers when they came home if they wanted to go on the land. Would that be included under this item?

Mr. MITCHELL: While at the moment we are not following the suggestion of my hon. friend, I am sure if there should be a need for classes of the kind mentioned we would be prepared to develop them.

Mr. COLDWELL: Is any of this money to be used to enable university students whose courses have been interrupted by the war to go on with their training?

Mr. MITCHELL: That comes under the next item.

Mr. COLDWELL: I thought the next item was for assistance to the universities in meeting extra costs in accelerating courses.

Mr. MARTIN: And in providing loans to certain students.

Mr. COLDWELL: That covers the sort of thing I have in mind, then?

Mr. MARTIN: Yes.

Mr. GILLIS: Personally I am not quite satisfied with the explanation given by the minister in regard to the vocational training provided for men discharged from the army. I believe the machinery provided for that purpose is anything but satisfactory. There is a great deal of delay, and many factors militate against the man who returns from the armed forces. As I understand the machinery now provided, it is strictly of an emergency nature; the training given to-day is for the purpose of fitting a man to go immediately into industry. In other words a man is given a short course which will enable him to take his place in war industry. I do not visualize that as a satisfactory vocational training programme for the future, though it may be all right now, to meet a temporary need. The machinery provided to enable the man to get in touch with a vocational training officer is also unsatisfactory. Let me take my own province as an example. There is one welfare officer for the whole province, who sits in with the unemployment insurance officers in Halifax. It is necessary to get through to him in order to make application to take advantage of the regulations as they now exist, and many of the boys coming out of the service have no knowledge of this officer. Men who have been out of the army for three or four months have written me to find out how to go about getting this training, and there is a great deal of delay in getting in touch with this one welfare

officer. Most of the men coming out of the army are forced to take whatever employment is offered, in order to live.

If a discharged soldier desires to take advantage of these arrangements for vocational training, he is informed that he must present himself at a certain centre. This may mean that he will have to go three, four or five hundred miles from where his family lives. During the time he is taking that course he receives $14.40 a week if he is a married man. That is not sufficient to pay his board while taking the course and at the same time maintain his family in another part of the country. This situation is peculiar to Nova Scotia. I do not know what the arrangement is in the other provinces, but many more men would take advantage of vocational training if some provision were made for subsistence allowances while they were taking their courses. Many men who have been discharged from the army are in industry only temporarily, and later on the job of reestablishment will have to be done all over again.

I have a suggestion to offer to the minister which may be worthy of consideration. To-day, particularly in central Canada, there are some plants which are going out of war production; I would direct attention particularly to Research Enterprises Limited in Toronto, a technical plant which has been making certain instruments. Parts of these plants are going out of production. Employees are being taken completely out of them and placed in other essential lines. These plants are equipped to do certain jobs. They could easily be converted back into training machinery so that the plant might be utilized following the war. People could be trained to do a job which would be of permanent benefit to them.

I suggest the minister will have to give consideration to the matter of remuneration, especially if he expects returned soldiers to take vocational training. Provision will have to be made for the families of these men while they are living away from home. In Nova Scotia they are trained in New Glasgow, or in New Brunswick in Moncton, and they have to travel four or five hundred miles from their homes, maintaining themselves and their families at the same time. It is all right in an emergency to have men enter a war industry, but a permanent arrangement must be made for the time after the war.

Mr. MITCHELL: Of course, as I said before, the Department of Pensions and National Health merely turn the returned soldiers over to us for training. No doubt the minister of that department will take note of the hon. member's observations. With respect to using the buildings now used by Research Enterprises Limited, may I point out that at this very moment conversations are going on between officials of my department and those of the Department of Munitions and Supply with that end in view.

Mr. McCANN: Where discharged members of the Canadian armed forces take advantage of facilities offered by vocational and technical schools which are maintained by the various municipalities, does the assistance go to the individual or to the institution? If it goes to the individual, on what ground; and what are his prospective expenses in connection with it? I ask these questions in view of the fact that these institutions are maintained by local communities.

Mr. MITCHELL: The payments go to the individual. We pay any additional cost in the community. For instance, a municipality may give us a school. In some instances we share the costs, and in others we pay all the costs. We may pay the salaries of extra teachers.

Mr. WRIGHT: What is the position of a man who gets his discharge now and takes a job in a war industry which, after he has worked there a year or year and a half, closes down? Will he then be able to get vocational training for another job?

Mr. MITCHELL: We have not yet been faced with that situation, but the hon. member may rest assured that at least while I am minister we shall try to do the sensible thing.

Mr. MacNICOL: I should like to ask one or two questions with respect to vocational training. I refer to the returned men who are sent to factories or schools for such training. For instance, does anyone from the minister's department with authority to inspect make any follow-up to ascertain how these people are taught?

Mr. MITCHELL: We have regional directors in each province. They in turn have inspectors who look over the work that is being done.

Mr. MacNICOL: I am particularly concerned with the large increase in accidents in factories, particularly in Ontario. I refer to that province, because it is a report from Ontario which I hold in my hand. Are the men who have been called to these factories receiving adequate protection? If they are not used to working in plants they are much more likely to have accidents than if they had been trained in industrial plants. The statements with respect to accidents are alarming. For instance, the Toronto *Evening*

Telegram of June 25, 1943, contains a report in which figures issued by the Industrial Accident Prevention Association are given. The report shows that there has been an increase in accidents to the extent of five per cent, and that the number of accidents in May reached the alarming figure of 10,320, of which 26 were fatalities. Then, $937,649 was paid out by the workmen's compensation board in May of this year. These are figures for the province of Ontario alone, I believe, and they are very bad indeed. If they apply in equal proportion throughout Canada the total would be a matter of serious concern.

It must be remembered that many of the young men who went overseas and were there for two or three years had not done a day's work in industry before their enlistment, because many of them had not had employment during the depression period. What training are those men to be given? Unless they are taught how to prevent the loss of fingers, or to avoid being struck on the head or having a foot smashed, they may be the victims of accidents. If precautions are not taken, many Canadians will be handicapped, not only by injuries sustained in the war, but by those sustained subsequently as the result of industrial accidents.

The workmen's compensation board will not carry them on indefinitely. If the department has established means of training these inexperienced men in factories, it should see to it that they are protected against themselves. I have had a long experience in industry, and I have learned that accidents take place very easily. I know that various governments have inspectors who endeavour to surround machinery and other industrial hazards with every possible protection. Perhaps the time has arrived when the federal department of labour should step in and see to it that men sent to factories for training purposes are safeguarded against accidents.

Mr. MITCHELL: I too have noticed the increase in the number of industrial accidents. I suppose that is the natural result of the tremendous expansion in industry. Many are entering industry for the first time. As to these trainees of ours, so far as I know we have not had a serious accident in the last year. My hon. friend is aware of course that workmen's compensation is under provincial jurisdiction, and operates in all the provinces. In most of the provinces, if not indeed all of them, there are accident prevention associations, or organizations of a similar type, financed by industry on an assessment basis. We have indicated to the provincial workmen's compensation boards this alarming increase in the number of accidents.

[Mr. MacNicol.]

Mr. MacNICOL: Your department has, do you say?

Mr. MITCHELL: Yes, our department has. But I think the hon. member will agree with me that the matter of factory supervision and legislation pertaining thereto comes within the four corners of property and civil rights, and that it is far better to use the instrument already built up than to have the federal Department of Labour enter the field of its own accord. In Ontario they have a most efficient accident prevention association. Naturally the worker is conscious of any loss of earning power, and that possible loss is an incentive to him to take some interest in accident prevention. The employer is interested, too, because his assessment with respect to workmen's compensation goes up and down according to the accident rate.

Under our training plan, in some centres we conduct classes in first aid. I believe that is at least a contribution, possibly not to the actual prevention of accidents, but to the lessening of the results of accidents. We know that sometimes workmen do not take that degree of care in respect to the possibility of minor accidents that they should. A workman may cut his finger and let it go without the necessary attention, and this may result in something serious, such as blood poisoning. For a great many years I took a keen interest in workmen's compensation in Ontario, and I have served on many committees set up by the labour movement which waited upon the Ontario government to ask for amendments to the workmen's compensation act of that province. While I have not the figures before me, I think it can be said that within the period of a generation there has been almost a transformation in the approach to the prevention of industrial accidents and disease. There has been a tremendous improvement over what existed twenty-five years ago. While I regret along with my hon. friend the increase which has taken place, I think it is one of those things that you cannot control, especially when you consider the tremendous expansion in industry which has taken place and the fact that so many people have entered industry for the first time.

Mr. JOHNSTON (Bow River): How long does a man have to be in the service before he is eligible for this grant?

Mr. MITCHELL: If he has an honourable discharge I think he could get it at any time.

Mr. JOHNSTON (Bow River): Is there any stated time?

Mr. MITCHELL: Not to my knowledge.

Mr. JOHNSTON (Bow River): If he is in only one day, he would get it?

Mr. MITCHELL: As I pointed out, these men are sent to me by the Department of Pensions and National Health. If a man had never been in the army or the navy or the air force we should be glad to train him for industry.

Mr. JOHNSTON (Bow River): I have had a little trouble in getting a case settled with the Department of Pensions and National Health. The particulars of this case have a direct bearing upon the item before the committee. The Department of Pensions and National Health refused to make a rehabilitation grant to this man because he had not been in the service the required six months, and the whole case turned upon whether his length of service would date from the day he was sworn in or from the day he was first on full pay in the service. This point should be definitely settled, because I have no doubt the minister will have to deal with similar cases. I should like to read a paragraph from a memorandum of the Department of Pensions and National Health under date of June 24, 1943, with reference to this man. It reads:

> This man, after less than six months actual active service, was discharged from the forces whilst in Deer Lodge hospital, Winnipeg, on February 17, 1942, following treatment for rheumatic fever. As he had less than 183 days active service, he is not eligible for the rehabilitation grant of thirty days' pay.

The Minister of National Defence for Air stated definitely in the house that the man was actually in the service from the day he was sworn in, but when this case comes up before the Department of Pensions and National Health the question arises whether his service would date from the day he was attested or from the day he began to draw full pay in the service. This point is not clear from what has been said by the Minister of National Defence for Air and the Minister of Pensions and National Health.

Mr. MITCHELL: I thought I made it clear that the handling of men after they are discharged is not a function of the Department of Labour, that it comes under the jurisdiction of the Department of Pensions and National Health. If my hon. friend will give me the correspondence I shall be glad to get in touch with that department and try to get an answer for him.

Mr. JOHNSTON (Bow River): Is it not the minister's department that makes these grants?

Mr. MITCHELL: The Department of Pensions and National Health send the men to us and we train them.

Mr. JOHNSTON (Bow River): The minister would have to refer back to the Department of Pensions and National Health to find out whether a man was eligible?

Mr. MITCHELL: We do not come into the picture until it is decided that a man is to be trained.

Mr. JOHNSTON (Bow River): I suppose this question would properly come up under Department of Pensions and National Health?

Mr. MITCHELL: That is right.

Mr. JOHNSTON (Bow River): That is where we are having the difficulty.

Mr. NOSEWORTHY: I am not clear, and there are many discharged men who are not clear as to the procedure which should be followed in order for a discharged man to be considered eligible for this training. First, will the minister tell the committee what the procedure is? Second, will the minister make clear the nature of the assistance which is being given to these returned men? That should be done for the benefit of the men themselves. Third, how many men are now receiving vocational training, and where are they receiving it? I realize that there may be considerable difficulty at the present time when a few men are being trained here and a few more in another part of the country, but I should like to know just what classes are being set up and where this training is available. Next, what is the nature of the vocational training classes that are available for returned men? Next, have the government given any consideration to studying the future industrial needs of the country? Our technical schools spend a lot of money on training pupils for jobs which do not exist when the training is completed, for vocations which have become more or less obsolete. Considering the technological changes that are occurring I assume the government are making sure that they know what the needs of industry will be when this training is completed.

Mr. MITCHELL: First, my hon. friend asked how a returned soldier should go about getting this training. He would get in touch with the rehabilitation officer in his locality. In the larger centres this man is to be found in the unemployment insurance offices. Next, my hon. friend asked what allowances are being given. They vary from $7 to $18 a week according to the circumstances. He

asked how many are being trained. At present there are twelve hundred. He asked where they are being trained and what training they are receiving. I have not that information in front of me, but I shall endeavour to get it before these estimates have been completed. Next, he asked if these people are being trained so that they will fit into the post-war picture. That is a pretty hard question to answer.

Mr. NOSEWORTHY: What steps is the government taking to ascertain what will be the means?

Mr. MITCHELL: My hon. friend will appreciate that it is the function of the James committee to advise the government in that direction. Then there is the MacIntosh committee and a committee of this house on rehabilitation and post-war problems. It is a difficult question to answer. A man may learn a trade to-day, and with a shift in styles or in the wants of the people, that trade may be obliterated almost overnight. It is difficult to indicate the industrial structure of the post-war period. A committee of the House of Commons is at this very moment giving study to the question my hon. friend raises.

Mr. NOSEWORTHY: How is information given to the discharged soldier, a man out in a small village, for instance, as to the officer to whom he should apply, the location of his office, and so forth, if the soldier wants to take vocational training?

Mr. MITCHELL: He is told that upon discharge. I do not think the average soldier passes much up. That was my experience in the last war, and I think the hon. member for Cape Breton South will agree with me. We had a pretty good idea of what we were entitled to and where we were going.

Mr. GILLIS: That has been the theory, but the fact is that the soldiers are not getting the information.

Mr. DIEFENBAKER: This is a very important subject, and there is a suggestion I should like to make to the minister and to the committee in connection with vocational training. When hostilities end, under the present plans of the united nations there will be occupation of friendly countries now overrun by the axis, as well as the occupation of enemy countries. I am going to make a plea for a system of vocational training to meet the needs of the period immediately after the war and until the signing of the peace treaty. I think I ought to get considerable support for the suggestion from the parliamentary assistant to the Minister of Labour, who has given many years to the study of international affairs and who is the distinguished vice-president for Canada of the Institute of Foreign Affairs.

During the past several months in the United States, as in Great Britain, consideration is being given to the post-war period when there will be occupancy of various countries from the cessation of hostilities to the signing of the peace treaty. The experience after the last war in the matter of occupation of countries was not everything it should have been. Only recently I was reading an article on this subject which quoted Colonel Hunt, who was the United States officer in charge of the occupation of Germany in 1919 and 1920. He states in, "American Military Government of Occupied Germany, 1918-20":

> All of the energy of the American army had been centered on an early decision in the field, and there had been no opportunity to study the civil problems involved in an occupation of German territory. The American army therefore began its duties in occupied territory with only the scantiest information both of the particular situation confronting it and even of a broader nature, such as would permit it to intelligently frame an organization commensurate with its wide governmental powers. From the beginning there was a crying need for personnel trained in civil administration and possessing knowledge of the German nation.

The United States has already seen the necessity of doing something in this regard and has started schools for the training of civilian administrators and other officers who will be in charge of civil affairs in the occupied territories.

Mr. MARTIN: My hon. friend is referring to the school in Virginia, for instance?

Mr. DIEFENBAKER: Yes, that is one. Two types of government will be set up, one a military government and the other a civil government. The United States in consultation with the other united nations has practically concluded that as soon as possible after occupancy takes place of an area in friendly countries now occupied by the axis, the military government should give way to a civil government, and that there should be placed in charge of those areas men from the various united nations who have been trained in civil administration. A number of articles have been written on the subject.

When occupation takes place a wide range of social and rehabilitation activities will be required. Civilian administrators will be needed who have training and experience in such matters as public health and housing, and a knowledge of the territory occupied. Furthermore, under the present scheme, educational institutions will be set up in the

occupied areas and a system of re-education will be set up in Germany and the other axis nations in order to indicate to these people the falsity of the teachings they have followed during the last thirty or forty years. The united nations will show them through education that men in all the countries of the earth can live in amity one with another. The falsity of the doctrine of blood and iron and aggression which has resulted in two wars in our lifetime will be terminated by such a system of education. But to that end trained men will be necessary. As the minister's parliamentary assistant mentioned a little while ago, schools have been opened in Virginia, and in other states of the United States schools are to be established to train men for this work. They will have to be carefully trained and will require a comprehensive course of study. These men will be selected according to their ability, their character, and their maturity and powers of leadership.

Some time ago Mr. Sumner Welles in the United States said that for a period of some years after hostilities ceased — possibly five years—there would be no peace treaty signed until a settlement had been arrived at and peaceful relations restored among the nations of the world. I make this suggestion to the minister, who I know will do everything he can to train our men for a vocation when they return from overseas, to give them an opportunity to take their place in the post-war world, when it may be anticipated that some of the economic difficulties that arose after the last war will again rear their heads in our midst and employment for our service men will again be a problem to be solved. We do not want to have men returning after this war to conditions such as those to which the last generation returned. Now is the time to set up in Canada a school of civil administration complementary to the school which is operating in the United States. It would mean that several thousand service men—I would say, at the beginning, five or six thousand of them—would receive training in civil administration. They will have served their country in time of war, and possibly many of them will be prevented by war disabilities from doing physical work. By setting up a school of this kind Canada will be enabled to take her place in the sphere of international affairs and exercise her influence in a larger way than she did before the war. The first proceeding will be the setting up of a training school; then, later, will come the training of these men, which will assure them of employment for several years after the close of hostilities, and will supply them with training which will stand them in exceptionally good stead when they return to civilian life.

I realize that what I suggest is an innovation, but since the outbreak of this war there have been many breaks with tradition. After the last war it would not have occurred to anyone to establish schools of this kind. The United States is finding that the system is working out, and a skeleton organization should be set up in Canada at once. The necessary personnel for training is available. We have in the armed forces men who are informed on public health, social service, education and the like: suitable educational staffs exist in the army. I feel that if this suggestion were implemented, many thousands of our men who might otherwise be debarred from post-war employment because of disabilities will be assured of occupation for several years in work which will be necessary for the preservation of the peace of the world. Canada must take a larger place than ever before in international affairs after the war, and the adoption of this plan will train men to take their part in the new world.

Mr. MARTIN: The hon. member for Lake Centre (Mr. Diefenbaker) has referred to a matter which the department from one point of view has seriously been considering. The question of training men of the armed services and others at the end of the war or during the war to take assignments in what we hope will be the occupied areas of Europe and Asia is not entirely, in fact it is only very remotely, a matter in which this department from an initial point of view can be said to be interested. In this country the question of training men and women for service in Europe and Asia at the end of the war is itself dependent upon policy of a higher order. In the first instance there will be the question of the proportion of appointments as between the various members of the victorious powers. There will be the question of the wisdom of having, let us say, Canadians or Englishmen or Americans serving in an administrative capacity in some of the European states and one will have to consider the psychological factor in relation to that sort of thing. However, as the hon. member has mentioned, in the United States considerable attention is being paid to this subject. There are schools in Virginia, at the university of Michigan at Ann Arbor, at Portland, Oregon, and in Washington. These at the moment are largely under the department of war or such military departments as have to do with the conduct of the war. The course of training presupposes qualifications which are

not those of the average person, and it is doubtful, in view of the training which most members of the armed forces now have, whether any considerable number could take advantage of the course.

However, the hon. member has, I think, done a great service in bringing the matter to public attention, I believe for the first time in this country. A committee of the Department of Labour is considering these matters; and, to the extent that this may be regarded in any sense as a problem of the department—and primarily it cannot be said to be such—the hon. member can be assured, knowing the interest of the minister and myself in these matters, that it will be given not only the best possible consideration, but the closest attention.

Mr. HANSELL: I want to refer back to the discussion which was pursued a few minutes ago about the allowance provided for men who are discharged and are taking training while they are away from home. I notice that order in council P.C. 2/3241, passed on April 20, provides, in the first paragraph of section 11, as follows:

> The minister may pay to a person pursuing a course under the provisions of paragraph (6) hereof and who is (1) a married person or (2) a person in respect of whom an additional allowance for dependents is being paid under this order, a living allowance of five dollars per week for any week whilst he is necessarily living away from his usual place of residence in pursuing such course and is thereby, in the opinion of the minister, obliged to incur extra living expenses.

It does seem to me that these government regulations, whether relating to this or any other type of allowance, are never framed with a view of giving the men every possible advantage. Perhaps the minister's department is not to blame. The treasury department sit above or behind them and they whittle away, whittle away, until the rules have been written up with such meticulous care that not one penny more is given than will provide anything beyond bare necessities. I fail to see how $5 a week is adequate for a man living away from home. Let me ask the minister two questions. First, does he think that $5 a week is really sufficient for a man living away from home?

Mr. JOHNSTON (Bow River): Some get $25 a day.

Mr. HANSELL: Yes, but they are not discharged veterans. I do not know whether any of these men are taking training in Ottawa. I do not think that Ottawa is any different from any other city when it comes to housing congestion and the cost of living. That being so, can the minister tell us where we can get board and room in Ottawa for $5 a week? If he can, that information will be very useful even to members of parliament, who have no exemptions for expenses, and I am quite certain it will be very useful to civil servants who get just enough salary to get by on, provided they can obtain room and board at the cheapest possible place. Will the minister answer those two questions?

Mr. MITCHELL: In the first place I have no jurisdiction over allowances to soldiers; it does not come under my department. All that my department does is to train people. That question would come under the estimates of the department of pensions.

Mr. JOHNSTON (Bow River): I do not blame the minister for evading that question.

Mr. HANSELL: That is getting to be the regular answer now, and it does seem to me that the coordination of the various departments is such that when you ask one minister a question he can easily say that it comes under another minister, and when you ask that other minister the same question he says that it comes under the items dealt with by another department. It is a case of playing tag with the various ministers and passing the buck. Perhaps the question does not come under this department, but does the minister think that $5 a week is a sufficient allowance? Perhaps he does not, but has he brought influence to bear upon his colleague the minister of pensions to have a little more given to these men?—who, remember, enlisted in the army. They volunteered to sacrifice everything and are now discharged, some of them perhaps because of ill health. Not being in receipt of pension, these brave lads are asked to take some course of training, and we think we are doing wonders for them when we give them $5 a week to live on.

Mr. JAQUES: Ask the humanitarians.

Mr. GREEN: A few moments ago we were discussing the question whether discharged men could take correspondence courses. It so happens that this morning I had a file sent to me from Vancouver. I did not have it in my hands at the time of the discussion, but I have it now. This man had served three and a half years in Canada, eventually becoming company quartermaster sergeant. On his discharge, category E, he obtained a position with the dominion civil service as a grade 4 clerk in the Dominion of Canada assay office in Vancouver, but it was pointed out to him at the time that the job was only a temporary one because

the man who held it had enlisted for work which would not result in his becoming a casualty; in other words he would come back upon the conclusion of the war; so that my informant has known all the time that he had only a temporary job. That being the fact, he applied to the veterans' welfare officer for assistance in taking a correspondence course in the International Accountants Society Incorporated. His plan was eventually to write an examination which would give him a degree from the Canadian General Accountants association. The cost of the course was $140.25. He was advised by the welfare officer to write to Lieutenant-Colonel F. T. Fairey, a provincial government employee in Victoria, but also regional director of the war emergency training programme. I have here a letter from Colonel Fairey in reply, one paragraph of which reads:

I must say, however, that under the present regulations I have no authority to pay fees for correspondence courses of any kind, either as an official of the provincial government or as regional director of the war emergency training programme. If, as you know, you were taking vocational training under post-discharge order P.C. 7633, I then would be responsible for the cost of your training during the time you were drawing subsistence allowances, but no provision is made for the type of instruction you suggest.

In other words, the man would have to be out of work and be a charge on the government for subsistence allowance before anything could be done for him. Only by being out of work could he get assistance in taking that course. That is directly opposite to what the minister told the committee when the subject was discussed a few minutes ago. It is true that this letter is dated March 17, and perhaps there has been another order in council since that time. However, this discharged veteran again saw the veterans' welfare officer and wrote to what is known as the district rehabilitation board in Vancouver. I have here a letter from them dated May 6 of this year, from which I quote the following:

The local rehabilitation board has considered your request for a correspondence course in accountancy under order in council P.C. 7633. However, the writer regrets to inform you that the board does not consider it advisable to make a grant for this purpose owing to the fact that you have had considerable experience, that you are now employed in a relatively good position and that this course is not therefore necessary for your rehabilitation.

This letter shows that, regardless of what the Department of Labour here may think, this rehabilitation board in Vancouver is not in favour of granting assistance for courses of this type, and I suggest that the last-mentioned ground is a most unreasonable one, namely, that it is not ncessary for this man's rehabilitation.

Here is a man in a temporary job—and there must be thousands of others in the same position, for example men who work in war industries but are obviously there only temporarily. Perhaps they would like to have some training that would fit them for permanent work, but the point of view of this board is that help cannot be given in a case of this kind. I would ask the minister not only to assure the committee that this rehabilitation board is wrong and that correspondence courses can be given, but to go further and indicate that decision to the various boards across Canada. When men receive treatment of this kind, in most cases they are knocked out; they are through; they do not keep coming back, because they believe it is hopeless and that they cannot get help; they are dissatisfied and it makes for discontent throughout the country.

Mr. MACKENZIE (Vancouver Centre): Can the hon. member give me the details privately?

Mr. GREEN: Yes. I will give the minister the file. This is a matter that should be made absolutely clear. A discharged veteran, in order to get help, should not necessarily be out of work but should be able to get help so that he may become permanently established.

Mr. MITCHELL: I am sorry if I misinformed my hon. friend; I did not intend to. The labour department has not yet established the principle of paying for correspondence courses with private organizations in connection with the training programme. I want to make that clear. I am not trying to evade the issue, as has been suggested, but this matter does not come under the jurisdiction of my department. It comes under the minister of pensions. My department has to do with training for trades and callings, more than the sort of thing mentioned by my hon. friend.

Mr. GREEN: Suppose a man is working in the day time on a war job and wants to take training in some trade in the evenings. Can he get that or can he not?

Mr. MITCHELL: Of course we have part time evening courses, which are free, but there is no allowance paid in connection with those. Men and women work during the day and go to those classes in the evening.

Mr. GREEN: They are employed during the day.

Mr. MITCHELL: Yes.

Mr. GREEN: Then the department will pay for their tuition in the evening?

Mr. MITCHELL: Oh, absolutely.

Mr. GREEN: There is no doubt about that?

Mr. MITCHELL: No doubt at all.

Mr. NOSEWORTHY: There is another point regarding discharged members of the armed forces. I do not see anything here which would enable a soldier to continue his education which was interrupted because of the war.

Mr. MACKENZIE (Vancouver Centre): If I may interrupt the hon. gentleman, education comes under my department entirely and can be thoroughly discussed either on the war appropriation or the departmental estimates. I can assure my hon. friend that most comprehensive arrangements have been made both for ordinary education and for post-graduate courses for soldiers when they are discharged. I do not want to hold up the estimates of my colleague at the moment; later I shall be very glad to give my hon. friend all information on that point.

Mr. NOSEWORTHY: I just wanted to ask whether education came under the Department of Labour or the Department of Pensions and National Health.

Mr. MACKENZIE (Vancouver Centre): Although the actual work of vocational training is being carried out at the present time under the Department of Labour there is in addition a most comprehensive programme of vocational training being arranged in my department. A director of vocational training has been appointed, and I shall be glad to explain fully to my hon. friend what is being done in regard to both vocational training and education under my department.

Mr. COLDWELL: Then the next item does not cover the sort of thing I had in mind in connection with university education; that will come under the Department of Pensions and National Health?

Mr. MACKENZIE (Vancouver Centre): The selection of those qualified for vocational training will come under the Department of Pensions and National Health. At the present time we are making a national survey of the whole field of education for discharged soldiers, and that survey will be completed in two or three months.

Mr. COLDWELL: Including university education?

Mr. MACKENZIE (Vancouver Centre): The regulations in regard to university education are now complete, but the survey is being made in regard to the physical, educational and vocational facilities available in every part of Canada.

Mr. COLDWELL: Then I shall wait until the minister reaches his estimates.

[Mr. Mitchell.]

Mr. GILLIS: In view of the fact that the administration of the rehabilitation regulations, including vocational training, comes under the Department of Pensions and National Health, what function is performed by the Department of Labour in connection with the expenditure of this money?

Mr. MACKENZIE (Vancouver Centre): They are doing the actual work at the present time.

Mr. COLDWELL: Do I understand that this is before discharge?

Mr. MITCHELL: No.

Mr. COLDWELL: I do not see where the work of one department ends and that of the other begins. Perhaps the minister will make that clear.

Mr. MITCHELL: I can tell my hon. friend how it happened. We have been conducting these classes for several years now, since they were introduced by the late Mr. Rogers in 1936. When the present situation developed the Department of Labour had the machinery and the experience, and we took over this obligation from pensions and national health, but the setting of the scale of remuneration and the regulations in connection with education are matters for that department. The training in industry and in the technical and vocational schools is undertaken by the Department of Labour.

Mr. JOHNSTON (Bow River): A short time ago the minister indicated that determination of the date on which actual service began was a matter for the Department of Pensions and National Health.

Mr. MARTIN: That is in the case of a discharged soldier.

Mr. JOHNSTON (Bow River): Then what about a discharged member of the air force?

Mr. MARTIN: The same thing applies.

Mr. JOHNSTON (Bow River): That is not decided by the Department of National Defence?

Mr. MACKENZIE (Vancouver Centre): It is decided by the regulations of the service branch in which the man has served, and the Department of Pensions and National Health must take the regulations of that branch.

Mr. JOHNSTON (Bow River): But pensions and national health have no control over that at all; it is up to the defence department?

Mr. MACKENZIE (Vancouver Centre): Yes.

Item agreed to.

Assistance in meeting extra costs of the universities in accelerating certain courses and to provide loans to certain students, $440,000.

Mr. HANSELL: What types of students are given this assistance? Is it given to any young man who finds that he cannot afford to go through university; and if so what procedure should be followed by one desiring to apply for assistance?

Mr. MITCHELL: It is in medicine, dentistry, science and engineering; those are the four courses; first year engineering and science, and I think they must be over five years in medicine.

Mr. JOHNSTON (Bow River): And will these amounts be in addition to what the act actually calls for?

Mr. MITCHELL: These students are chosen by a committee in each university, and an allowance of approximately $275 is given the student towards the cost of his education at that particular university. The number of students who have been assisted in this way to date is just over two thousand.

Mr. BENCE: What arrangements are made in connection with the loans, with regard to repayment?

Mr. MITCHELL: That is undertaken at each university. Some universities give the money, while others lend it. It is all arranged between the federal government, the provincial government and the university.

Mr. BENCE: If it is the money of the federal government, why should the university have the right to say whether it shall be given or lent?

Mr. MITCHELL: Where it is the money of the federal government it is purely a loan, but this is usually a joint arrangement between the provincial and federal governments. There is nothing new about it.

Mr. COLDWELL: It is a federal loan to the students, is it?

Mr. MITCHELL: Yes.

Mr. COLDWELL: Lent by whom?

Mr. MITCHELL: In some cases a federal loan and in some cases a joint loan.

Mr. COLDWELL: But a loan in every case?

Mr. MITCHELL: Not in every case; where the province puts it up it may be a gift, at the discretion of the province and the university.

Mr. COLDWELL: How many provinces are making this a gift, and how many make it a loan, does the minister know?

Mr. MITCHELL: I do not know. I can say that one good Scotch university, Queen's, makes it a loan.

Mr. COLDWELL: Some of us would be interested in knowing what is being done in our own provinces. What about Saskatchewan?

Mr. MITCHELL: I shall get the information for my hon. friend; it is best to be sure about it.

Mr. CASSELMAN: Is the boy given more than a one-year course? My understanding is that if a boy gets this loan he has to sign up for enlistment at the end of the first year of his course. The boy may go on if his standing is high enough and he can finance himself; as long as he remains in the good graces of the universities he may continue his education, but if he gets this loan from the government it is because of the fact that he agrees to go into the army at the end of one year. He can only get a one-year education.

Mr. MITCHELL: No, he is allowed to complete his course, but he does not get the loan except under certain stipulations; that is, he either goes into the fighting forces or into some industry, at the direction of the Minister of Labour.

Mr. CASSELMAN: I wish the minister would look into that more carefully, because I am definite on the point. I could give the names of boys who were given this opportunity definitely on the basis that they could get only a one-year course.

Mr. MITCHELL: It may be that in the judgment of the university a young fellow's academic standing was not sufficiently high to permit him to continue his course, but in all these courses they are permitted to complete their education. I wish the hon. member would give me the particulars of the case he has mentioned.

Mr. CASSELMAN: I shall do so.

Mr. NOSEWORTHY: Is it not true that some of the universities are giving a special one-year course to officer material? Perhaps that is what the hon. member has in mind.

Mr. MITCHELL: But not under the jurisdiction of my department.

Mr. BENCE: Will the minister obtain the information, and let us have the picture in connection with the various universities?

Mr. MITCHELL: Yes.

Item agreed to.

National war labour board, $468,445.

Mr. BENCE: As I understand it, the national war labour board was reconstituted by order in council P.C. 1141 on February 11 of this year. At the time it was reconstituted three members were appointed to it, namely the Hon. Mr. Justice C. P. McTague, the Hon. J. J. Bench and Mr. J. L. Cohen. First, before the board was set up, Mr. Bench was appointed to the senate, and when I read in the press that he had been appointed to this board I was favourably impressed, because I thought it was an instance of giving to a man in public life a position in which he could do a good piece of work. I was disappointed, however, to find two and a half months later that another order in council was passed providing for the revocation of the appointment of the Hon. Senator J. J. Bench, and the appointment in his place of Mr. Lalande, at a salary of $10,000 a year.

In the second order in council, P.C. 3512, passed on April 29, 1943, we find the following statement:

> Whereas the Minister of Labour reports with reference to the war-time wages control order (P.C. 5963 dated July 10, 1942), that the Honourable Senator J. J. Bench, K.C., in accordance with an understanding at the time of his appointment has submitted his resignation as a member of the national war labour board. . . .

What was the understanding at the time of the appointment, and what was the reason for placing on the board a man who would go into the various matters coming before the board, and who would become acquainted with the problems with which the board was confronted, only to have his appointment revoked within two and a half months?

Mr. MITCHELL: I do not know whether the hon. member knows Senator Bench very well.

Mr. BENCE: I do not know him at all.

Mr. MITCHELL: He is not strong physically.

Mr. BENCE: He is under forty years of age.

Mr. MITCHELL: That may be true; but I am sure if my hon. friend knew Senator Bench and the nature of his disability, he would not have made the observations he has made.

Mr. BENCE: What I have said was not said with the intention of casting any reflection at all. I wished only to have an explanation.

Mr. MITCHELL: Well, that is the explanation. It was understood and discussed. I discussed this matter with Senator Bench, and it was understood he would not stay very long. The reason why he left as soon as he did was that he could not stand the strain of the work of the board. He had to go south to recuperate. Senator Bench felt that, in view of the pressing nature of the cases before the board, it was his duty to resign. That is what he did, and the other gentleman was appointed in his place.

Mr. BENCE: That was in accordance with the understanding; but it was not the understanding that he would quit within two and a half months.

Mr. MARTIN: Senator Bench is a close friend of mine. I know the hon. member did not intend to cast any reflection, but since he has made the observations he did make may I say that Senator Bench had been in the armed services, serving as a commissioned officer. He was discharged for reasons of health.

Mr. BENCE: I assure the committee I did not intend any reflection whatsoever.

Item agreed to.

Expenses in connection with general labour transference in war industries and agriculture, $500,000.

Mr. COLDWELL: I should like to raise a point on this item. To-day we approach the end of June, when schools are closing. On Saturday evening I had a long-distance telephone conversation with the secretary of the teachers' alliance in Alberta. It was drawn to my attention that a large number of teachers are anxious to find war work in the summer. It was pointed out that they had made applications to the selective service branch in Edmonton for work suitable to their particular experience, physical conditions and aptitude, but that they were being told in practically all cases that the work available to them would be work on the farms.

Probably some of the younger men and women in the teaching profession are quite able to transfer from the schools to farm work. But a large number of teachers, both male and female, on account of the sedentary type of work they have been doing for ten or fifteen or more years are not physically fit for farm work.

I have a letter confirming the telephone conversation, but shall not take the time of the committee to read it. The point in question is that in Edmonton, or at points just outside Edmonton, there is a good deal of clerical work, such as checking and the like, for which applications are being invited. These teachers, who are probably best fitted

in many respects for that kind of work, are told that they cannot have it, often because the employing firm is a United States organization. And yet, as many of us know, numbers of men are being brought in from the United States to do various types of work in northern Alberta. These men are brought in long distances, and at great expense. If people are available locally who, by experience and physical condition, are fitted to do that type of work, it seems to me that they should not be directed to work they cannot do, and that they should be given an opportunity of doing the work for which they are fitted.

This is something to which the department might give its attention. In the next week or ten days, approaching the end of June, a number of teachers will be released from schools all across Canada. I believe the school terms do not resume in some of the provinces until about October 15. That is the position in Alberta; and I believe some of the other western provinces and the province of Ontario are extending the vacation period in the same way. This is being done so that teachers and pupils alike may undertake other types of work.

It is true that the work on the farm must be done and that labour is short. Where people are fitted physically or by experience for that kind of work I agree they should be directed to do it. I am not criticizing that at all. But if they are not fitted, then I say they should not be debarred from doing the kind of work for which they are fitted.

Mr. John Barnett, who has written me, tells me that he makes no criticism of the officials of selective service in Edmonton. He points out that in every instance the treatment received by those who made inquiries at the Edmonton office was exceedingly courteous, and that there was no complaint to make in that respect. I mention that only because it might be inferred that there had been some trouble when, in fact, there has been none at all.

I was surprised to hear the minister's announcement in the house that farm labour was to be transferred from Saskatchewan to Ontario at this season of the year. I cannot understand where that source of labour is available; and if it is available I do not understand why it cannot be used in districts in Saskatchewan, Manitoba or Alberta where there has been a shortage of labour. Both in eastern and western Canada, particularly in the east, I think it is more a maldistribution of farm labour. No thorough survey has been made to ensure that farm labour is directed to those places where it can be utilized most economically and efficiently.

In my opinion the question of labour on our farms will become more acute as the days go by. The demand for food will become greater. Indeed, we are witnessing to-day one of the most surprising shortages of food in the United States. Yesterday I was reading some articles in the New York *Times* regarding shortages in the United States which are rather alarming. We have a little rationing in our own country, but we are not short of anything particularly. The people overseas are on fairly short rations because the food we are getting to them is not enough. If we open up any part of Europe food will be required in very large quantities. So that it seems to me it is essential that we should keep up our food supply. I had this in mind when I was discussing the whole man-power situation last Friday.

Perhaps there could be a transfer by persuasion of labour from farms where it is not vitally needed to other farms in the same area. I have heard of cases in both this and the neighbouring province where a number of people, old and young, are employed on farms who might be more efficiently employed on different farms or on different types of farms in the same locality. But even if we do this there will still be an insufficient supply of agricultural labour. I wish the minister would take up with his colleagues, particularly the Minister of Munitions and Supply, the question of providing more machinery for the farms. I am thinking not only of the western farms where mechanization has become fairly universal on the larger units, but also of the eastern dairy farms. I know of cases where four or five people with a milking machine are able to handle sixty, seventy or even more head of milch cattle.

Mr. MARTIN: The romance is being taken out of it.

Mr. COLDWELL: The minister might take up with his colleagues the question of providing more machinery for the farm. This should be possible if some branches of our war industry have reached their peaks and are now slowing down, especially if they were previously engaged in the manufacture of farm equipment. I ask the minister to give particular consideration to my first question, that teachers who are not particularly equipped to go on the land be permitted to take positions which their physical condition will permit them to fill more efficiently and more in the interests of the country.

Mr. MITCHELL: I think it is fair to say that a large proportion of the teachers in western Canada are children of farmers, and that is where they should go in the holidays.

Mr. COLDWELL: If they are physically fit.

Mr. MITCHELL: If they are physically fit. I want to make that very definite because many hon. members have been talking about the shortage of farm labour. These people will have to go where they can be best used. While I cannot give the number of men that will be required on the Alaska highway, I may say that some months ago I discussed this matter with the United States authorities, and the number of men that will be engaged during the summer on this project staggers the imagination. We just have not a man-power pool in western Canada even to attempt to meet this need. Under these conditions our good friends to the south have arranged for a labour supply themselves. We could not disrupt the labour pool in western Canada in order to do this work. My hon. friend can rest assured that the selective service officers will be judicious in their decisions in connection with teachers being sent into agriculture this summer.

My hon. friend referred to the question of a labour supply for the west. My mind goes back to last fall when, on account of weather conditions, we were faced with a difficult situation in western Canada. University students and some farmers were sent to the west. I think it is only in the nature of one good turn deserving another that any men in western Canada who are able to give assistance to farmers in the east between the planting season and threshing should do so. This is required particularly in connection with the hay crop which is heavy this year. We are taking the advice of our organizations in Saskatchewan and other parts of the west as to what men are available.

On the question of organization, I may say that in Saskatchewan we have a "win the war committee" in every municipality. The driving force between these committees is to have labour available where it is most needed, not only in connection with planting the crops but in converting them into food and generally supplying the needs of all year round agriculture. Committees have been established in every parish in Quebec and in every county in Ontario. That is the way we are organizing in order to make the best possible use of the labour supply available.

We must not forget that there are about 770,000 farms in Canada. I think it is fair to say that there is at least one man and woman on every farm. We are apt to be a little confused in our thinking and compare labour conditions in agriculture prior to 1941 with what they are to-day. I do not think that is a fair comparison to make because in those depression years there were many people on our farms who were living there rather than working. There was no employment for them in the industrial areas. I have seen the figures, and there has never been much more than 60,000 hired men engaged in the farming industry of this country. When these comparisons are made I think due allowance should be made for the point I have raised.

In connection with agricultural machinery I can tell my hon. friend that a committee of the Department of Agriculture is working with the priority committee of my department in connection with the supply of agricultural machinery for the farmers of this dominion. No doubt by the time we get around to the agricultural estimates the Minister of Agriculture will have something to say on this matter.

Mr. COLDWELL: The point I was making was that no matter what their physical condition might be, the only work that has been offered to male teachers in Edmonton has been that of labourer and farm worker, and to the women teachers, that of waitress and laundress. That is what I want the minister to look into, to see if these could not be extended.

Mr. MITCHELL: My hon. friend will appreciate that there is a tight situation in Edmonton.

Mr. FAIR: I do not belong to the teaching profession, but during the past three or four weeks I have had several communications from teachers in my province and I have taken up some of these cases with the Minister of Labour. So far as teachers being sent to the farm is concerned, I support the argument of the hon. member for Rosetown-Biggar. He must have a copy of the notes I have before me because he has discussed the points I intended to raise. When the minister is preparing to send these teachers to the farm he should consider the wages that are to be paid. A farmer cannot pay wages that will be attractive to a teacher and I am afraid it will be found that many of them will be trying to get into other lines of work. I agree with the minister that a number of the teachers have come from the farm, but I suggest that a number of them are not in shape to stand the hard work that must be done on the farm. In regard to the lady teachers, I would like the minister to make it clear whether those who have matrimonial engagements will be compelled to have a stay of proceedings on such engagements until the war is over, or whether

they can go ahead, because I know a number who have engagements for next month or immediately after school is out. Would the minister let us know the Liberal policy or definition of these teachers being frozen?

Mr. MITCHELL: All matters relating to the affections I shall refer to my assistant.

Mr. FAIR: I hope they will be as well taken care of as he has taken care of his own along that line.

The minister in his statement on Wednesday last gave great prominence to the agricultural profession, if I may call it that; I only wish it was elevated to that happy position. As reported at page 3934 of *Hansard*, the minister gave agriculture quite a boost. It was a real Liberal boost; it consisted of words only and said nothing about financial compensation. The minister said:

> What our farmers have done is to produce more and more with fewer people. This record of achievement by our farmers, their wives, their children, and their hired men and women will be read some day as one of the glorious chapters in our history. I should like as Minister of Labour to pay special tribute to the hired men and women on the farms. They are too often forgotten in plans for social betterment. Their lot is not an easy one or an exciting one. They are doing a grand war job to-day for this nation.

I want to join most heartily with the Minister of Labour in that statement, because he is quite correct in saying that fewer of our people are producing more food than ever before. The one drawback is that they are still not paid for their labours. I do not think that statement can be successfully challenged if we take agriculture as a whole. We have been told time and again that prices of agricultural products cannot be figured out and that for that reason we cannot get parity prices or the cost of production. I would advise the Minister of Labour and the Minister of Agriculture, and even the Minister of Finance, that if they have not sufficient statisticians here in Ottawa, I can get a number of farmers to work these things out for them if they on their part will then agree to pay the cost of production. We have on the farm a number of accountants, and while they may not be regarded in Ottawa as having very much ability because they are on a farm, nevertheless they can do accounting efficiently. So that if the government cannot find statisticians here in Ottawa, I can give them the names of some people who can work these things out for them.

Farm production, I am afraid, will be a little disappointing to the government this year, even though the Minister of Agriculture told a Liberal convention only a couple of days ago that everything would be all right unless some hoarding was done. I hope that his predictions will be realized in the interests of agriculture and of our allies.

The shortage of farm machinery has been spoken of by the hon. member for Rosetown-Biggar. I have worried quite a little about this shortage, because I know of dozens of farmers in my part of the country who have put in applications for machinery and have not been able to purchase it. The shortage of good farm machinery will be reflected in farm production this summer and harvest because, if you have a poor binder or some such machine, time will be wasted needlessly, and when I say wasted I mean just that, because with fewer good operators our machinery should be kept up to a very high standard.

Coming now to the extra hours of labour, I want to say that farmers have worked extra hours ever since I came to Canada, at least some twenty-nine years ago. Other lines of industry have an eight-hour day with half a day off a week, but twelve to sixteen hours a day is the average day's labour for the farmer in Canada. If you go on the farm and watch the farmer—I do not care whether it is in eastern Canada or western Canada or the central provinces—you will find that twelve to sixteen hours is the average working day, and with poor compensation for these hours of labour I think the farmers are not being justly treated. Perhaps we farmers will have to do the same as the industrialists did in August, 1939. They said: If we do not get the cost of production plus, we are not going to manufacture. The farmers have not yet come to that point, and I hope it will never be necessary for them to do so, but in case it is, I do not think the country could blame the farmer for taking that step to get the cost of production if he cannot get it in any other way. We have a system of just prices for other products, and there is no reason in the world why the farmer should not be treated the same as any other industry.

The call-up of men from the farms is a matter that is particularly under the jurisdiction of the Minister of Labour. During recent days figures have been given showing the trend away from the farms. I think the time has come and our agriculture production has reached the stage when we must not allow any more of our farmers to be called up. Otherwise the supply of food for the united nations may be drastically reduced, and our armies cannot fight unless we supply them with the food they need.

In connection with farm help for the coming harvest, I hope the minister will see to it that we are provided with all the help that will be required for this harvest season. While a lot of benefit was derived from the help that was sent from eastern Canada to western Canada last fall, I do not think the picking of those men was just what it might have been, so that I suggest to the minister that care be taken this year and that preparations be made early to make a better choice of help to send out west for the harvest. I realize that last year it was done in a hurry, and without exception the men who were sent out did the very best they could so far as I know, but a man who comes out of a university and goes straight on the farm to stook or pitch bundles for twelve hours a day is up against a pretty stiff job.

Mr. HANSON (York-Sunbury): Under this heading I wish to ask the minister for some clarification of the recent order with respect to students of sixteen, seventeen and eighteen years of age, with particular reference to forestry students. I have written a letter to the director about this matter but have not as yet had any reply.

I would point out that in New Brunswick there is one of the few forestry schools in the Dominion of Canada. It has been the practice for the students to take their theory in the academic term; and the pulp and paper companies, and other large timber limits holders, as opportunity permits, make it possible for them to apply the principles and the theories which they learn in the academic course. This year, in accordance with the usual practice, a number of these students of the university of New Brunswick made application to the paper companies in my province for employment, and I may say to the minister that of course the pecuniary reward is a great inducement to these students. Arrangements were made for several—not a great many—to go into the forestry departments of the paper companies and to report for duty on a certain date. Then intervenes the recent order with respect to students, and they are told that before they can be permitted to go they must present a permit from the national selective service local office. On applying for that permit they are refused on the ground of the broad—perhaps I should say, the limited, or not very liberal—interpretation of the regulation. I am not finding any fault with the selective service offices at Fredericton, but these students are told they cannot enter the service of the companies because they must go on farms. These men are not a large class. If it is necessary in New Brunswick that they do so they will comply with that rigid enforcement of the order, but I suggest to the minister that the regulation be interpreted liberally. These young men are pursuing their studies; at the same time they are earning money by going into these forestry camps and doing the work of forestry students, and I would hope that the minister and his director of national selective service would interpret the rules liberally and allow these young men, who do not want to go on farms and feel they will not receive the pecuniary reward they would obtain in the forestry camps, to proceed as has been the custom in years gone by. These young men in due course will be required to answer the call for national selective service, and I believe they are patriotic and will be prepared to do so. But they are still under age, and I think that in justice to them they should be allowed to pursue their vocation, preparing themselves in a financial way for the next term's work, and follow the practice of their chosen profession, rather than have to go on farms. I should like the minister to elucidate that position.

Mr. MITCHELL: The extension of the permit system to take in persons from sixteen to eighteen years of age inclusive is merely an extension of the other system, so that we can have some control over the movements, particularly during the summer months, of people in these age groups. I thank my hon. friend for bringing this question to my attention. As a matter of fact, we have already sent out instructions in conformity with his suggestion.

Mr. HANSON (York-Sunbury): Thank you.

Mr. MITCHELL: I think it is sound and logical. The university of New Brunswick has, I suppose, one of the finest forestry courses in North America. I look upon these young men very much as one would regard science students. We make provision for science students to go into industry where they can get experience during the summer vacations, and I think it is logical for young men in this forestry course to go into the lumber industry during the vacational period of their course. My hon. friend can rest assured that as far as my department is concerned that will be done.

Mr. HANSON (York-Sunbury): That is most satisfactory.

Mr. NOSEWORTHY: I should like to refer for a moment to the employment of teachers during the summer holidays. Can the minister tell us what if any provision has been made by his national selective service officers for absorbing some 80,000 teachers who

have been released from schools to-day or will be released to-morrow. I know that until last year no provision whatever was made for the absorption of these people into the labour market, and the selective service was absolutely helpless last spring when teachers in any numbers came for guidance. In the Toronto offices the interviewers in the selective service bureaux were given every morning for weeks, by the man in charge, a notice at the beginning of the day saying, "No employment for teachers", in order that the number of teachers coming in and applying for work would not occupy the time of the people in the offices. The same applied to Ottawa and every large centre across the dominion. No assistance was given to these people who desired to procure two or three months' employment. I know that last September, when the classes opened, most of the teachers' federations across the country wrote to selective service officers asking that they begin now, early in the year, to lay some plans whereby that force of help could be used during the summer months. I am surprised to hear that the same complaint has been raised this year as in former years. Can the minister tell us what decision has been made?

Mr. MITCHELL: A month ago a directive was sent out to the 216 officers of selective service advising them to encourage teachers to register at the offices. In addition to that, a letter went forward to all the provincial departments of education along the same lines, and they in turn, I am informed, wrote to all the school boards in the respective jurisdictions. I am prepared to admit that this time last year our machinery was not as good as it is at the moment, and I am prepared to predict that six months from now it will be a great deal better than it is at the present moment. I am not making apologies to anybody for the work of the officials of selective service. As I said the other evening, this is a new organization; they are working in a virgin field as far as this country is concerned, and I think it can be safely stated without any fear of successful contradiction that as the days go by, notwithstanding criticisms by people who should know better—and in saying this I am not referring to any hon. member—they have acquitted themselves very well. My hon. friend can rest assured that as far as the teachers are concerned everything that can be done will be done to see that they are channeled into useful occupations in the province of Ontario.

Mr. NOSEWORTHY: The only answer the minister has given is that some time ago certain selective service directives were sent out. Has any specific provision been made for absorbing 80,000 teachers whose services will be available for the next three months?

Mr. MITCHELL: I can only say to my hon. friend that the mechanics are there to take about 80,000 teachers. We apply a policy, we send out the directives, and then the organization of course undertakes the carrying out of those directives. It is a physical impossibility for me to know, for instance, all the vacancies that occur from day to day in my hon. friend's own community in the city of Toronto; but from what I see in this community I do not think anybody will have a great deal of difficulty in getting employment for three months this summer. I believe that, with the assistance of our selective service organization, and subject of course to the exceptions which occasionally occur to every rule, any schoolteacher who wants a job this summer will be able to get it.

Mr. COLDWELL: The minister said something about laying down a policy.

Mr. MITCHELL: The employment officers were told to get a list of vacancies and to direct teachers into them when school broke up.

Mr. NOSEWORTHY: When was that information sent out?

Mr. MITCHELL: A month ago. In connection with farming, there is, I submit, evidence that we have done some planning in the Department of Labour, when one considers the progressive steps that we have taken during the last six or eight months. I am not looking for credit for the Department of Labour, but it indicates that last winter we were alive to the situation that would develop this spring, and plans have already been made for the harvest this fall, at least to face up to the harvest in the west.

Mr. COLDWELL: Is it the understanding, then, that the directions sent out give a broader interpretation than is given at Edmonton?

Mr. MITCHELL: Yes. But do not try to get me in a corner on this. I want to have some leeway for my people in the country.

Mr. COLDWELL: That is what I am trying to do.

Mr. MITCHELL: I know you are trying to do it, but you are not going to. Getting back to Alberta, apart from the Alcan—

Mr. MacNICOL: Alaska, not Alcan. That is a hideous name.

Mr. MITCHELL: Apart from the Alaska highway, then—I know why people want to work on the highway; it is to make money—the priority list that exists in the Ottawa office of the selective service must be the yardstick for the guidance of the officials in charge there in the placement of teachers.

Mr. JOHNSTON (Bow River): We have had some experience in the past in putting people to work on farms. Last year, when the harvest was on, a great many people from eastern Canada went to the farms and the arrangement was not satisfactory. Now we are trying to do the same thing with teachers. Last fall we had evidence to show that the people who went out there from eastern Canada, though they were enthusiastic and tried to do their best, did not come up to the required standard for farm labour. They failed for two reasons: first, they were not experienced, and, second, they were not in a physical condition to carry on. I do not care whether a teacher has been raised on a farm, if he has been teaching for a number of years he is not in a condition to go and work on a farm. There is another aspect to this matter. I believe that the majority of teachers, with their education and the extra knowledge they have as compared with ordinary labourers, could be used more beneficially in some other line of industry than on farms. It might be possible to put teachers in clerical positions in offices where such work is necessary and better results would be obtained than by some teachers being put on farms, because they would not be in a position to carry on.

We have a wrong idea about farm work. Those who think anyone can go and work on a farm are definitely wrong. It takes four weeks at least for one to get hardened if one is to carry on even then. In my opinion, the government would simply waste a lot of time by putting teachers on farms. Apparently the Minister of Labour has taken the attitude that they will go on the farms or not work at all. There are many teachers who will not work on the farm, and if they are forced to go on the farm they will not work at all. Whether that is patriotic or not, that is what will happen in many instances.

Another question to be considered is that of salary. A teacher who is used to a good salary and is forced to go on the farm will be dissatisfied, because a large number of people have left farms on account of the inadequacy of the remuneration paid, and the government is going to replace those people with teachers who will receive a low income. The farmers cannot afford to pay more than they are paying; but on the other hand this will prevent teachers from taking up any other type of work in which they would receive a higher income.

These difficulties are all before us, and the minister would do well to look into the matter thoroughly before attempting to force teachers into occupations which they may not care for or for which they are not fitted. I join in the other remarks that have been made with regard to teachers.

Mr. BOUCHER: A great deal has been said about getting workers for the farms, but another aspect that must be kept in mind, is that of retaining men on the farms. I believe the selective service should go farther than they have gone in that direction. Anyone acquainted with agricultural conditions knows that the farmers very often hire men during the temporarily slack season in order to have them during the busy season, and under present selective service regulations farm help must give seven days' notice before leaving, and that at a busy time. That is a serious element in the agricultural farm labour requirements. I believe the government would be well advised to take the matter up on a cooperative basis with the provincial legislature with a view to having a little more compulsion on the farm hand, compelling him to remain with the farmer during the busy season, instead of being lured to some other farmer or some other industry or occupation by virtue of higher wages and other inducements such as easier hours and so on. If you look at our provincial statutes dealing with wages, failure to pay wages and so on, you will find that a heavy penalty is imposed upon the employer who does not pay his employee the wages contracted for. Selective service could assist agriculture quite well if they would specialize and pay more attention to compelling the farm labourer to render the services for which he has contracted. In that regard it will be necessary to take the matter up with the provincial legislature from the point of view of jurisdiction.

I have heard complaints over this very question, where farmers, having hired men, lose them. True, there is a law that the man must give seven days' notice but there is not enough sting to compel compliance with the regulations, nor is there enough power exercised by the selective service to keep a man at his job, to which he is so essential.

Mr. PERLEY: It is wonderful how the discussion develops. I have been sitting here for quite a while, and I have heard many different matters discussed under this item. Together with the other hon. members I was certainly glad to hear the minister, as reported at

page 4019 of *Hansard* for June 23, pay a compliment to the farmers for what they have done, and I certainly agree with what he said.

I am interested in the transfer of men from western Canada to the east to help out the farmers in this part of the country, and I am anxious that those men will get back to the west in time to do the work there. I think they will do a much better job in the east than was done in the west by some of the young fellows who went from our universities to help with the harvest last fall, and I am anxious to see that they all get back to where they will be needed at harvest time. It has been suggested already that the department should make plans well in advance to see that adequate help is provided for the coming harvest, and I think it is important that these things be organized in plenty of time.

With respect to these selective service offices to which the minister has referred so often, while out of the city on Saturday I had a little chat with a gentleman who has something to do with employing men for a certain organization which has a number of offices across Canada. He told me some of the difficulties they are meeting in securing men through these selective service offices; he mentioned the bottlenecks, the difficulties that arise through the red tape and routine that must be followed. He told me that it took from four to five days to get anyone after his firm made application to one of these offices. He mentioned the number of applications and forms that had to be filled out, and I think the whole thing could be made very much simpler if proper men were placed in charge, for I believe many people are being placed in the selective service offices who do not know their business.

Coming back to the teachers, I believe many of them in western Canada will be ready to take employment during the vacation, and I think they should be allowed to accept employment in the districts in which they have been teaching. I believe they will do good work. I venture to suggest that many of them will be able to give better service than many members of this house will be able to give if we are kept here much longer. In conclusion, I repeat that I hope these men coming from the west to work on the farms of eastern Canada will be sent back when their work here is over, and will not be frozen to jobs in the east.

Mr. CASTLEDEN: Is there a shortage of labour in Saskatchewan at the present time, as the records of the department would indicate? The minister mentioned that he had victory committees operating in all districts. What do their reports show as to whether there is a shortage of labour?

Mr. MITCHELL: My hon. friend will appreciate that we have no reports from individual committees, but we have a general report and the condition is much better than they expected it to be.

Mr. HANSON (York-Sunbury): But there is still a shortage?

Mr. MITCHELL: No, we expect to move a thousand farm labourers east from Saskatchewan.

Mr. COLDWELL: There will be a shortage?

Mr. MITCHELL: For harvest?

Mr. CASTLEDEN: How many men have you taken off the farms, through selective service, say up to the end of June?

Mr. MITCHELL: You mean to come to eastern Canada?

Mr. CASTLEDEN: No; through selective service; men called into the army.

Mr. MITCHELL: None.

Mr. CASTLEDEN: Well, there are calls going throughout Saskatchewan for men to report.

Mr. MITCHELL: That is merely to report for medical examination; that is not a call for the army.

Mr. CASTLEDEN: No men are being taken off the farms at the present time?

Mr. MITCHELL: No.

Mr. CASTLEDEN: What wages are being paid the men who are being brought east from Saskatchewan?

Mr. MITCHELL: They are getting the going rate in the district, whatever it is.

Mr. CASTLEDEN: What is it at the present time?

Mr. MITCHELL: It varies, I suppose from $40 a month to $75 a month, and we pay the return fare.

Mr. CASTLEDEN: You are paying everything?

Mr. MITCHELL: Yes, everything except $5. I think the return fare comes to $120, and we pay it all but $5 in order to make sure that they go back again.

Progress reported.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 11, for the relief of Sheila Joan Milligan Hodgson.—Mr. Abbott.

Bill No. 12, for the relief of John Elliott Cockerline.—Mr. Hill.

Bill No. 13, for the relief of James William McDonald.—Mr. Hill.

Bill No. 14, for the relief of William James Chafe.—Mr. Emmerson.

Bill No. 15, for the relief of Nettye Steinberg Litner.—Mr. McIlraith.

Bill No. 16, for the relief of Mollie Jaslow Mitnick.—Mr. Casselman (Grenville-Dundas).

Bill No. 17, for the relief of Eleanore Jeanne Lonn Yanofsky.—Mr. McIlraith.

Bill No. 18, for the relief of Ada Lahn Corber.—Mr. McIlraith.

Bill No. 19, for the relief of Bessie McKenzie Balfour Whiteley Willard.—Mr. Boucher.

Bill No. 20, for the relief of Marion Catherine Bremner.—Mr. McIlraith.

Bill No. 21, for the relief of Feodor Karpenko.—Mr. Fulford.

Bill No. 22, for the relief of Dorothy Platt Vaz.—Mr. Whitman.

Bill No. 23, for the relief of Marion Ellen Topp Doré.—Mr. Casselman (Grenville-Dundas).

Bill No. 24, for the relief of Celia Lazarowitz Cohen.—Mr. Whitman.

Bill No. 25, for the relief of Frederick Hubert Fairbanks.—Hr. Hill.

Bill No. 26, for the relief of Maude May Frances Adlam Clare.—Mr. Hill.

Bill No. 27, for the relief of Gladys Mae Bond Jarvis.—Mr. Emmerson.

Bill No. 28, for the relief of Max Shulman.—Mr. Emmerson.

Bill No. 29, for the relief of Walter Pestun, otherwise known as Walter Preston.—Mr. Tomlinson.

Bill No. 30, for the relief of Sonia Litvack Shalinsky.—Mr. McIlraith.

Bill No. 31, for the relief of Evelyn Margaret Cooke Phippard.—Mr. Macdonald (Brantford City).

Bill No. 32, for the relief of Muriel Anna Chapman Longmore.—Mr. MacInnis.

Bill No. 33, for the relief of Joseph Fernand St. Louis.—Mr. MacInnis.

Bill No. 34, for the relief of Alexander Morgan.—Mr. Whitman.

Bill No. 35 for the relief of Norma Mady Albert Chamandy.—Mr. Macdonald (Brantford City).

[Mr. Mitchell.]

Bill No. 36, for the relief of Gerald Clarkin.—Mr. Emmerson.

Bill No. 37, for the relief of Edith Rose Smith Gendron.—Mr. Emmerson.

Bill No. 38, for the relief of Alice Bernadette Choiniere Horner.—Mr. Abbott.

Bill No. 39, for the relief of Eva Pearl Gilbert.—Mr. McIlraith.

Bill No. 40, for the relief of Emma Cowsill Hill.—Mr. Fulford.

Bill No. 41, for the relief of David Joseph Kennedy.—Mr. Hill.

Bill No. 42, for the relief of Leopold Boucher.—Mr. Emmerson.

Bill No. 43, for the relief of Beatrice Ashwell Dyson.—Mr. Abbott.

Bill No. 44, for the relief of Freda Sybil Nisbet Baldwin.—Mr. McIlraith.

Bill No. 45, for the relief of Sam Hadis.—Mr. Fulford.

Bill No. 46, for the relief of Carmen Hilda Olesker Gold.—Mr. Macdonald (Brantford City).

Bill No. 47, for the relief of Léo René Doré.—Mr. Hill.

Bill No. 48, for the relief of Mary Sophia Viora St. Pierre Malhoit, otherwise known as Mary Sophia Viora St. Pierre Mayotte.—Mr. Whitman.

Bill No. 49, for the relief of Violet Victoria Green Auclair.—Mr. Abbott.

Bill No. 50, for the relief of Laurette Jobin Lalumière.—Mr. Macdonald (Brantford City).

Bill No. 51, for the relief of Elizabeth Gunn Sparling.—Mr. Claxton.

Bill No. 52, for the relief of Bella Lerner Efros.—Mr. Whitman.

Bill No. 53, an act to incorporate Montreal Shriners' Hospital Foundation.—Mr. Abbott.

Bill No. 54, an act to incorporate Canadian Alliance Insurance Company.—Mr. Chevrier.

Bill No. 56, an act to incorporate The Felician Sisters of Winnipeg.—Mr. Howden.

Bill No. 61, for the relief of Kathleen Ena Ball Royer.—Mr. Abbott.

Bill No. 62, for the relief of Margaret Heddrick Lieth Gauld.—Mr. Claxton.

Bill No. 63, for the relief of Elizabeth Alexandra Ida Robb Lewis.—Mr. Emmerson.

Bill No. 64, for the relief of Joseph Aloysius Lavigueur.—Mr. Casselman (Grenville-Dundas).

Bill No. 68, an act to incorporate the Ukrainian Fraternal Society of Canada.—Mr. Hlynka.

Bill No. 79, for the relief of Helen Alissamon Wheeler Baker Macoun.—Mr. Claxton.

Bill No. 80, for the relief of Adele Le Roy Fuller Hardy.—Mr. Hill.

Bill No. 81, for the relief of Constance Maxine Keating Noseworthy.—Mr. Abbott.

Bill No. 82, for the relief of Alvina Antoinette Bouchard Winterson.—Mr. McIlraith.

Bill No. 83, for the relief of Bernice Evelyn Berman Sholomenko.—Mr. McIlraith.

Bill No. 84, for the relief of Marjorie Florence Gray Lever.—Mr. Whitman.

Bill No. 85, for the relief of Robert Gordon Shaw.—Mr. Macmillan.

Bill No. 86, for the relief of William Taffert.—Mr. McIlraith.

Bill No. 87, for the relief of Uuno Ojalammi.—Mr. McIlraith.

Bill No. 88, for the relief of Leo Guay.—Mr. Tomlinson.

Bill No. 89, for the relief of Marie Beatrice Arsenault Thériault.—Mr. Abbott.

Bill No. 90, for the relief of Margaret Varga Csabi.—Mr. MacInnis.

Bill No. 91, for the relief of Frances Helen Shand Howell.—Mr. MacInnis.

Bill No. 92, for the relief of Charles Cardin.—Mr. Ross (St. Paul's).

Bill No. 93, for the relief of Gladys Irene Harison Mathers.—Mr. Casselman (Grenville-Dundas).

Bill No. 94, for the relief of Eileen Grace Shearer Taylor.—Mr. Macdonald (Brantford City).

Bill No. 67, an Act respecting The Canada North-West Land Company Limited.—Mr. McIlraith.

Bill No. 97, for the relief of Maitland Richardson Silvester.—Mr. Claxton.

Bill No. 98, for the relief of Agnes May Jack Jackson.—Mr. Ross (St. Paul's).

Bill No. 99, for the relief of Marie Fernande Broca Taisne.—Mr. Ross (St. Paul's).

Bill No. 100, for the relief of Samuel William Simon.—Mr. Fulford.

Bill No. 101, for the relief of Vera Venning Prestt.—Mr. MacInnis.

Bill No. 102, for the relief of Katherine Scott Thacher.—Mr. Diefenbaker.

Bill No. 103, for the relief of Elias Shapiro.—Mr. MacInnis.

Bill No. 104, for the relief of Fannie Rubin Segal.—Mr. MacInnis.

Bill No. 105, for the relief of Doris Mae Sangster Webster.—Mr. Abbott.

Bill No. 106, for the relief of Charles Joseph Wilfrid Rousseau.—Mr. Macdonald (Brantford City).

Bill No. 109, an Act to incorporate Bethel Full Gospel Assembly.—Mr. Reid.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Donnelly in the chair.

DEPARTMENT OF LABOUR

National selective service programme, $8,680,225.

Mr. MITCHELL: Mr. Chairman, on account of a misunderstanding of the statistical tables on mobilization as appearing in *Hansard* at page 3954, I should like to make a statement for the information of the committee. At this time the regulations apply to men born in any of the years 1902 to 1916 inclusive, who on July 15, 1940, were unmarried or widowers without child or children, or who have since that date been divorced or become judicially separated, or widowers without child or children, and to all men born in any of the years 1917 to 1924 inclusive, except that men born in the year 1924 are not ordered out for medical examination until they have reached the age of nineteen years. Within fourteen days of the date appearing on the order for medical examination, a man may apply in writing to his registrar for postponement of his military training.

Applications for postponement will come under three main headings: (1) men essential in agricultural operations; (2) men essential in war industry and essential industry, public utilities and so on, and (3) men whose departure for military training would cause extreme hardships to their dependents.

Mobilization boards hear applications for postponements, and decisions of boards are final. Boards may, however, of their own motion, reconsider applications for postponement. Representatives of agriculture and representatives of national selective service, civilian section, as well as representatives of the Department of National Defence may attend and make representations at meetings of mobilization boards.

Under national selective service mobilization regulations bona fide students of colleges and universities taking certain specified courses are allowed to pursue their course of studies undisturbed, provided that, if medically fit, they take the military training prescribed, and also pass their scholastic examinations.

Non-declarant enemy aliens as well as neutral aliens who forgo naturalization rights are accepted under these regulations. Men who have been granted a postponement are ordered out for military training immediately following expiration of the postponement, unless further application is made and granted.

Men ordered to report for training are supplied with transportation, lodging and subsistence warrants as required. Upon reporting at district depots or military training centres of the Department of National Defence (army), men are again medically examined by medical officers of the Department of National Defence, and, if found fit, are taken on strength and enrolled. As of that time they cease to be under the jurisdiction of the Department of Labour.

That is my point. Many hon. members come to me and speak with respect to men who are already in the army. Of course, once they are in the army they cease to be under the jurisdiction of the Department of Labour, and come under the jurisdiction of the Minister of National Defence.

Men rejected upon reporting at district depots of training centres for medical reasons are returned home and are provided with transportation, subsistence and lodging warrants. A medical officer is attached to each of the thirteen districts or divisions. His duties are to scrutinize carefully all medical examinations and certificate forms completed by examining physicians and to advise the registrar on matters of a medical character. Certificates of medical examination have been issued to men who, on account of their physical condition, are not required to report for the time being.

Medical revision boards have been set up at a number of points in Canada under the Department of National Defence where men who are placed in medical categories other than those at present acceptable by the military authorities are being medically reexamined. As I have told the committee, men subject to national selective service mobilization regulations whose conscientious objection to bearing arms is recognized by national selective service are called out for alternative service work of a civilian character for the duration of the war. Steps are being taken to mobilize these conscientious objectors for work in agriculture and in other private essential industry. I went into this more at length when I made my initial presentation to the committee the other day.

Under part II of the regulations, men who are not fit for military training but who are otherwise fit for special duty with the Royal Canadian Mounted Police may be ordered out for special duty at the request of the Minister of Justice. These men may apply for postponement on the same grounds and in the same manner as men ordered out for military training. Divisional registrars have been hampered in their work because so many have failed to report changed addresses. Sometimes we are critical of the man on the street for not complying with the regulations with respect to change of address, but may I suggest to hon. members that they look at their own registration cards and see if they have complied with the regulations. After having done that, perhaps they will be a little more charitable.

Mr. CRUICKSHANK: Is a member supposed to change his address?

Mr. MITCHELL: A member of the House of Commons comes within the law just the same as the man on the street.

Mr. HANSON (York-Sunbury): He does not have to give Ottawa as his new address.

Mr. CRUICKSHANK: Is a member supposed to change his address from that of his riding?

Mr. MITCHELL: Oh, no, that is elementary. During the year ended March 31, 1943, the number of address changes notified to national registration authorities was 779,278, or over 60,000 a month. Hon. members will appreciate the amount of detailed organization work that that entails in itself, without the other ramifications of administration which are encountered in the national selective service organization. The problem of tracing these men has been partly solved by the compulsory re-registration of men who have not received their order-medical examination. Preferred attention is being given to the prosecution of delinquents. The reexamination by the army medical boards of 150,000 men, being done on the recommendation of the medical advisers, is nearly completed. Approximately thirty-five per cent of the men reexamined have been found to be in acceptable categories to be ordered out for military training. Transportation, subsistence and lodging warrants are being issued to these men.

While most designated age classes are being ordered to have their medical examinations, the volume of work of the mobilization section of the national selective service will nevertheless continue in view of the fact that mobilization is at the mopping-up stage, so

to speak, which must be carried out for the purpose of bringing into the armed forces all the men liable to compulsory mobilization.

As to the method of call-up, may I say that in making requisitions, the Department of National Defence state the total number required and allot them to districts in accordance with their training facilities. This determines where the men report, but does not determine where they come from. These allotments are sent on to the registrar as a matter of convenience. If any division were able to mobilize more men than the Department of National Defence could train at that point, they would be sent to other training centres. That is somewhat of a change from the previous procedure. The number of men called out in a district or division is determined by the application of the mobilization regulations. Every man in a designated class, fit for military service, who is subject to the regulations is selected for the armed forces unless he receives postponement on any of the grounds set out in the regulations, such as essential industry, farming, national interest, compassionate grounds or conscientious objection. It may be interesting to the committee to know what is done in New Zealand, and I quote from a statement made by the minister of man-power of that country in connection with the man-power regulations. He said:

> They are to be administered with temperateness and discretion, and will not unduly affect the good worker or the good employer. The penalties are designed for the malingerer and the defaulter. It is my intention that such a person should be dealt with firmly—

That is the exact position taken by my department.

> —on the other hand, where any individual shows a genuine desire to meet his difficulties squarely these regulations will be so administered as to give him every possible assistance and co-operation. Although regulations are necessary to secure uniformity of practice and in order to harness and coordinate the war effort, it is to cooperation that we must look for good results.

The directions to our Canadian registrars are to deal with every man in the designated class as rapidly as possible. The divisions vary in size. Some have greater difficulty in getting accommodation and staff, and therefore the speed of selection varies, but, in the end, the same result is sought for; that is, all men fit for service in the designated class who are not given postponement and have not volunteered for service in the armed forces, are selected.

The staff concerned with compulsory mobilization has been increased since the 1st of August, 1942, by 1,575 new employees. These new employees have been engaged for the local divisions, and the total strength of the staff throughout Canada, including headquarters at Ottawa, is, at the present time, 1,843. This will give some indication to the committee of what I might term the resoluteness of the Department of Labour, and previously the Department of National War Services, in moving in the direction of mobilization of men for the armed forces since last August.

Since December 1, when administrative responsibility with respect to mobilization was transferred to the Minister of Labour, the following procedures have been adopted to enforce the regulations. Compulsory mobilization under the regulations had been enforced against the great majority of those men in the designated classes. Therefore, before proceeding with the compulsory mobilization of men married before July 15, 1940, it was decided to make every effort to complete enforcement against those men who had failed to register in national registration, 1940, or to advise appropriate authorities as to subsequent change of address and other necessary facts.

Accordingly, the mobilization regulations were amended to require the re-registration of men in the then designated age classes who had not been served with notice or order-medical examination. Mobilization registrars were provided with copies of each re-registration, and instructions were given for the registrars to proceed immediately with the compulsory mobilization of these re-registered men. The registrars were told that it was their primary duty to see to the prompt mobilization of these men. At the present time, the great majority of these re-registered men have been dealt with.

Shortly after December 1, 1942, administrative action was taken for the issuance of certificates to men in designated age classes to indicate compliance with mobilization regulations.

This action constituted the issuance in all appropriate cases of postponement order certificates, medical unfitness certificates, and other certificates indicating compliance with the mobilization regulations. The issuance of these certificates of compliance is practically up to date at present in all of the thirteen offices of the mobilization registrars.

After inspection of the offices of the thirteen mobilization registrars, it was found that registrars were not in possession of a complete up-to-date set of national registration records pertaining to all men in the then designated classes who were residing in the respective administrative divisions of the registrars concerned.

Mr. HANSON (York-Sunbury): When was that discovered? After December 1 last?

Mr. MITCHELL: I think that is probably right. I must be fair to the previous administration. It must be remembered that for the first two years of the war we had an unemployment problem and we found the recruiting and mobilization of men comparatively easy. I will put it in this way: In those days we were going with the stream, but at the moment we are digging in the cement, which is a much more difficult administrative problem than recruiting men when there was a surplus of man-power. I think some hon. members may have been forgetting the background of this war. In the early days of the war it was a war of position and blockade. We thought we could defeat the enemy through the instrumentality of the Maginot line and the British navy. Personally I always felt that was the wrong approach. But with the fall of France an entirely different problem confronted this dominion. I have some knowledge as all hon. members have of those desperate days when in North America we had hardly enough equipment—I am giving my personal opinion—to defend New York city, let alone the North American continent; and after Dunkirk we had little more left than our bare fists to fight with. I know something of the trials and tribulations of the government in those days. I know it is the easiest thing in the world to back the winning horse after the race has been won. But looking back upon those days I recall some of the sleepless nights I myself spent as an adviser. The people of this country and this government, I think, measured up in a big way to that very difficult situation.

Mr. HANSON (York-Sunbury): What does the minister mean by digging in the cement? Does he mean that all the volunteers are gone?

Mr. MITCHELL: I would not say that altogether.

Mr. HANSON (York-Sunbury): Pretty nearly.

Mr. MITCHELL: I would not say that altogether. When I speak of digging in the cement I mean we have pretty nearly reached the bottom of the keg.

Mr. HANSON (York-Sunbury): Not by the minister's own figures.

Mr. MITCHELL: I will come to that in a minute.

An hon. MEMBER: Bottom of the barrel.

Mr. MITCHELL: I like the "bottom of the keg" myself. I was in the British navy and we used to think more of the keg.

[Mr. R. B. Hanson.]

This situation arose because many men had enlisted or changed their address without notifying either the national registration bureau or the mobilization registrar.

However, immediate increased coordination was effected between the national registration bureau and the thirteen offices of the mobilization registrars. The result was that registrars commenced immediately to use the facilities of the national registration bureau in Ottawa for further information in connection with the tracing of men.

It was found that considerable time was required to effect compulsory mobilization of those re-registered in the designated classes. Also time was required to complete the issuance of certificates as to compliance. Therefore, it was not until the middle of April last that an order was issued under the national selective service civilian regulations requiring selective service officers to check as to non-contravention of the mobilization regulations in all cases of men seeking permits for employment.

Provision was also made under the national selective service civilian regulations affecting men designated for compulsory mobilization, whereby these men are ordered to report at the national selective service local offices when occupied in work of low labour priority, to the end that such men may be transferred to work of high labour priority.

When such men report for compulsory transfer, the selective service authorities check in cooperation with the mobilization registrars to determine as to compliance or non-compliance with the mobilization regulations.

There is in the Department of Labour a branch known as the mobilization survey division. The officials of this branch are responsible for surveying industry, so that designated physically fit men may be withdrawn for the armed forces in an orderly manner.

That is the way in which it is done in Great Britain. They do not merely take the employer's word for it or the employee's, but they have a corps of what they call industrial engineers who go through the various industries.

Mr. MacNICOL: The department has?

Mr. MITCHELL: Yes. Since my return from Great Britain last fall we have adopted a similar policy here. We do not simply take the employer's word for it or the statement of the mobilization board or the employee's word. We have a number of people

at the present moment going through the various industries in Canada to squeeze out the men who are suitable for military service.

Mr. REID: Are they all practical men?

Mr. MITCHELL: So far as possible, yes. But when you talk of practical men, that is a matter of opinion.

Mr. REID: I mean practical men who know what they see, not office men.

Mr. MITCHELL: This means that in a specific industry the man-power is graded from skilled to unskilled and, at the same time, a record is made of the physical fitness of the men concerned.

It is the intention by means of these surveys to place the mobilization boards in possession of information respecting the supply of labour available, the importance of the industry to the national economy and the prosecution of the war, and also the importance of the employee's position in the industry.

It is expected that by enforcing the compulsory transfer of unfit men through the facilities in the national selective service local offices an adequate stream of replacements will be provided for those workers withdrawn to meet the needs of the armed forces. To date it has been found that these surveys have revealed already the whereabouts of certain men not in good standing under the regulations.

Mr. MacNICOL: What does the department do to make sure that men of the proper type are sent to the factories to replace those taken out?

Mr. MITCHELL: That is done through selective service. You draw men out at one end and push them in at the other. My hon. friend laughs at that.

Mr. MacNICOL: I was laughing at the minister's expression.

Mr. MITCHELL: I think it is a pretty good expression. Men are pushed from the non-essential into the essential industries, and men are drawn out to go into the army.

Mr. MacNICOL: Suppose a company asks selective service to send them ten boilermakers or ten machinists or ten fitters; how does selective service go about picking the right men?

Mr. MITCHELL: Selective service offices have information on all the people in the community as to their various skills and training.

Mr. PERLEY: Do they insist on a medical examination?

Mr. MITCHELL: I would not say so. We have bumped into that in connection with coal mining to a limited degree. I think there is some argument for the coal miners in that regard. There may be many coal miners—I do not know that there are—who have left the industry on account of their health; and where men claim that they are not physically able to return to the industry, we are not taking their word for it but are making provision for their medical examination.

At the outset the mobilization regulations provided that upon conviction of a man for non-compliance with order-medical examination or order-military training, it was permissible for the person acting on behalf of the crown to recommend that the court order the convicted person to be escorted in police custody to an appropriate place, for compliance with order-medical examination, or order-military training.

Mr. HANSON (York-Sunbury): In how many cases did that happen?

Mr. MITCHELL: I will look up that figure. I would not care to give the number offhand.

Mr. HANSON (York-Sunbury): Not many yet.

Mr. MITCHELL: It has begun to show itself. May I mention why I am following my notes closely? I spent all day yesterday with my people on this question, because I thought by this means I could get the explanation over in twenty or twenty-five minutes, whereas it might take much longer if I were to speak extemporaneously or hon. members asked questions across the floor.

It was soon realized that this measure was a desirable one for facilitating enforcement and, therefore, the regulations were further amended to provide that in connection with two other offences, the convicted person could be escorted in police custody to an appropriate place for military training. These offences are: non-compliance with regulations which required re-registration before March 15, 1943, of certain designated men not served with notice or order-medical examination, and non-compliance with the provisions in the regulations as to giving notice of change of address and particulars as to where mail will reach a designated man.

The Royal Canadian Mounted Police report that these more stringent enforcement measures are of great assistance in enforcing mobilization regulations.

It is the policy of the administration to reduce as much as possible the work performed by the police authorities in tracing men in cases of mobilization orders undelivered or in cases of non-compliance for other reasons. Registrars have been instructed to take the following steps in the order indicated:

Dispatch of a postcard attached to each mobilization order in question for completion by the delivering postal employee to obtain a report explaining non-delivery or non-compliance.

Mr. HANSON (York-Sunbury): When did that start?

Mr. MITCHELL: It started since December 1.

Mr. HANSON (York-Sunbury): Oh, yes, the other day, long after December 1.

Mr. MITCHELL: I think my hon. friend will agree with me on this, that as you find these problems you set in motion machinery to meet them. I tell the committee frankly that the labour department is not all-wise; we have not—

Mr. HANSON (York-Sunbury): If the minister wants to be frank he will give us the date when that was put into operation.

Mr. MITCHELL: I shall be glad to do so.

Mr. HANSON (York-Sunbury): Last week, I think, likely.

Mr. MITCHELL: I will get the date for my hon. friend.

Mr. PERLEY: Will the minister give us an estimate of by what number the staff of the selective service offices will have to be increased to provide for all these regulations and see that everything is working?

Mr. MITCHELL: I am informed that it was in effect before I took over the mobilization.

Mr. HANSON (York-Sunbury): I have not heard of it before.

Mr. MITCHELL: Then, the dispatch of an inquiry to the assistant chief registrar in Ottawa to obtain all available particulars shown on the master card in the national registration bureau or on the records of the three armed forces in Ottawa as of the date of the inquiry; also dispatch of a request for investigation and report to the appropriate police authorities.

On the basis of the facts disclosed by the foregoing procedure, prosecutions are instituted by instructions from registrars to appropriate authorities.

[Mr. Mitchell.]

And now let me give the committee some figures to clarify the present position: As at May 15, 1943, the inventory of men in the designated classes is as follows:

Men in designated classes as at 1940: Registration total 1,043,163 less those in course of being called (54,688), net	988,475

That is the man-power pool.

Mr. HANSON (York-Sunbury): In the designated classes.

Mr. MITCHELL: In the pool.

Men now in armed forces who came out of foregoing pool	550,692
Men now on postponement	100,973
Men unfit	257,103
Men in C.O.T.C. and auxiliary units	5,776
Statutory exceptions (firemen, policemen, clergymen, judges, enemy aliens)	6,257
Residue of original man-power pool unclassified	67,674
	988,475

The last category of which I spoke consists of men in institutional care and custody, merchant seamen, men in remote areas, duplications and errors in the 1940 registration, men dead, not located on account of unnotified change of address, and delinquents.

The total number unaccounted for, namely 67,674, constitutes 6½ per cent of the man-power pool, and in my opinion this is a credit to the men of Canada.

Hon. members will realize in connection with the statement which I have just made, that in the early days of the mobilization offices the registrars were not instructed that specific figures would be required at various times, and this fact, together with the tremendous volume of work they had to undertake, created a situation wherein steps had to be taken to obtain an accurate accounting.

The national war services department realized this situation, and arrangements were made to have an actual man-power accounting undertaken which would show the exact classification of every man in the designated classes. This work was commenced last autumn and is not yet completed, but it is anticipated that it will be completed in the course of the next month or so.

I want to thank hon. members for their forbearance in respect of this lengthy detailed explanation, which I thought was necessary so that they could approach this item on the agenda with that critical sense of duty which I know they will apply to it.

Mr. HANSON (York-Sunbury): The minister tonight, in the early part of his statement, gave an analysis of the regulations and the *modus operandi* under which his department

operates. I assume that when he took over on the 1st of December he found a more or less chaotic condition; in fact, I am quite sure that he did. Some of the admissions which he has made here would indicate that. I think it is fair to say that, ever since the mobilization act was introduced in the early summer of 1940, the man-power problem qua the army—and that is the only phase of this problem with which I propose to deal, and to deal very briefly, this evening—has been one of trial and error, hit or miss, and mostly miss.

The first thing we had was the national registration; and I think it must be apparent to everybody that thousands upon thousands of people in this country—young men in the military ages—did not register. I think we have had a tacit admission from the department that that was the situation, because they had a re-registration and an amnesty against those who did not obey the law. I have forgotten how many the minister said—

Mr. MITCHELL: One hundred and forty thousand.

Mr. HANSON: I thought it was around 150,000 who had failed to register. That was an astonishing state of affairs, an astonishing lack of obedience to the law on the part of a substantial number of our citizenship, at a time when Canada was at war, and at a time when the war was in its darkest phases; that is, the year succeeding Dunkirk. I think everyone will agree with that. But because of a policy of appeasement, because of the lack of a realistic man-power policy on the part of the administration, that sort of thing was tolerated in this country for months and months and months. And if we have a man-power policy to-day, I suggest to the minister and to the membership of this house that it is a policy which has been improvised from day to day and from month to month as time has gone on. I think that is a fairly correct way of stating the evolution, if I may use that term to describe the man-power policy with regard not only to supplying man-power for the armed forces but to supplying man-power for agriculture and other industry.

I want to be reasonably fair about this. There is, I think, some excuse for improvisation in the early part of the war, because it is a well-known fact that Canada did not set herself manfully to this war for nine months after the declaration of war. We were having what people called a phony war, and did not approach the situation realistically. The cause for that is not far to trace. The cause for that lies at the door of the administration, which was to have only a reasonable participation in the war. If you want any evidence in substantiation of that assertion, let me page the speeches of the former Minister of Public Works; let me call to mind the speeches of hon. members from the province of Quebec, who have told this house and the country what responsible ministers of the crown told the electors prior to the last election.

An hon. MEMBER: And the member for Laval-Two Mountains (Mr. Lacombe).

Mr. HANSON (York-Sunbury): I would not page the hon. member for Laval-Two Mountains. I would rather have a higher authority than him.

An hon. MEMBER: The late Minister of Justice.

Mr. HANSON (York-Sunbury): I will come closer home to my hon. friends on the left. I am not unmindful of the declaration made in this house on September 9 by the hon. member for Rosetown-Biggar (Mr. Coldwell) in which he laid down four statements, the third of which was that under no consideration should there be an expeditionary force. I pause here to say that never at any time has that third proposition laid down by the socialist party in this country been repudiated by them, either in this house or out of it. So far as I am concerned, they shall never be allowed to get away from that proposition, and they ought never to be allowed to get away from it.

Mr. GILLIS: The hon. member will not have much to do with it.

Mr. HANSON (York-Sunbury): Maybe I will not. I shall be one single voice, but in so far as I have power and authority to raise my voice I intend to tell the people of Canada what was the position of hon. gentlemen to my left at the beginning of this war, a position that has never been repudiated by them.

Mr. GILLIS: They will not listen to him anyway.

Mr. HANSON (York-Sunbury): There will be some people who will listen to me. I am satisfied that there will be many who will listen to me as they are listening to me in this house today. There are members of this house who know that I state, generally speaking, the exact truth, and it will not do for the hon. member for Rosetown-Biggar, with a group of by-elections in sight, to come out now as he

did on Friday afternoon last, to try to put his party right with the loyal, patriotic people of Canada.

With respect to one feature of the speech of the hon. member for Rosetown-Biggar, I am in hearty agreement. He said that when the testing time comes; when the casualty lists begin to roll in; when there is brought home to the people of Canada the necessity for reinforcement upon reinforcement, and when the government to whom Providence has been, shall I say, unduly kind during the past three years, is obliged to bring in, as it will be obliged to bring in, the full implementation of the mobilization act as amended at the last session of parliament, then the Prime Minister (Mr. Mackenzie King) is going to come to this house and ask for a vote of confidence in a policy which he refused to put into effect at the time when it ought to have been put into effect so that we would have trained reinforcements for our armed forces overseas.

If that is to be a blanket vote of confidence in the administration, they will not get my vote.

An hon. MEMBER: Why have you voted for it?

Mr. HANSON (York-Sunbury): I have not voted for it. I voted for a half-measure because I knew I could not get anything better from this government, and I voted to relieve the government of its pledge to the people. My friends did not vote for that. Why? It is as plain as the nose on your face. They voted as they did because they thought they might curry favour with some sections of the country who did not want total war. I do not think there is the slightest doubt about it. But I did not rise to say that.

Mr. MACKENZIE (Vancouver Centre): You said it.

Mr. HANSON (York-Sunbury): Hon. gentlemen seem to take umbrage at what I have been saying. Well, let their guilty consciences answer them. That is the best thing I can say to them. Let them search their hearts and minds and consciences as to their course with regard to this gigantic, global struggle and Canada's participation in it. The people will judge if the people know.

Coming back to this question of the mobilization of man-power for the army, I listened with the greatest care to the minister's presentation on Wednesday last, a presentation which I suggest took him and his whole staff three long weeks to make, a studied piece of special pleading to make the worse appear the better cause. That is what the minister's statement was, an attempt to make the people of Canada believe that all was well. That has been the studied policy of this government in every phase of its war effort since we entered the war in September, 1939—that all was well; that all is now well, with the mobilization plans of this government. I am going to pay this minister the compliment of saying that until he got into office as the head of the department charged with responsibility for the direction of national service there never was anything but chaos under the former Minister of National War Services and his deputy minister, who now sits in this house as a minister. There never was any real policy of selective service for the army or anybody else. It was catch as catch can with the three armed services, and agriculture took the hindmost, while industry protected itself as far as it could.

Equality of service! Why, the minister knows in his heart, and it is indicated by the figures he has given here and the figures that have been placed on record as a result of the research of hon. members on this side, chiefly the hon. member for Lake Centre, that some parts of Canada have done twice what other parts have done in regard to national service qua the army. I have a question on the order paper now in regard to the air force, which I believe the minister will answer very shortly. I already have the information, which the minister was good enough to give me privately, but because I do not feel that I should use the figures until they become official I am not going to quote them to-night. I have them right here, however, and I can tell hon. gentlemen that having regard to population in the nine provinces of this dominion there has been no equality of voluntary sacrifice as far as the air force is concerned. When hon. members get the figures for Ontario with reference to voluntary enlistments in the air force and compare them with the figures for the province of Quebec they will be shocked, having regard to the population. That is all I am going to say about that. I shall not give the figures which were given to me by the minister until he answers the question which I placed upon the order paper to-day. The minister will give the figures, and hon. gentlemen then may judge whether or not the statements I have made to-night are correct.

Mr. JOHNSTON (Bow River): When will the figures be brought down?

Mr. HANSON (York-Sunbury): That is up to the minister. I have asked the question, as it was suggested I should do, and I have no doubt he will bring down the information. Perhaps it will be brought down to-morrow;

at any rate I hope it will be brought down before this debate is over. The minister indicated that if I asked the question he would bring down the information promptly, and I am taking him at his word, but until he does bring down that information I am not going to use the figures he has given me.

In the closing part of his remarks this evening the minister made a statement which greatly intrigued me, because in the analysis he gave he attempted to indicate how the man-power pool has been used up. He did not give us that information last Wednesday; and I want to tell the minister that the figures he gave on Wednesday last indicate that there are half a million men unaccounted for. If those figures are true, it is a national disgrace to Canada. I cannot assert that to-night because I have not been able to follow the figures the minister gave us, I suppose in anticipation of this debate and perhaps an effort to forestall criticism and what may result from it. Therefore I shall reserve some of the things I have to say until I have had an opportunity to analyse the figures the minister gave to-night.

I should like to impress upon the membership of this house the anxiety I feel to-night, and which I have felt through the years since the mobilization act was put into effect, with respect to the number of reinforcements for our troops overseas. We have a volunteer army overseas, composed of so many army corps, so many ancillary forces—I am not so much concerned about that—army headquarters and so on, all going to make up the large number of men indicated by the minister to-night. In that group of men overseas we are supposed to have a number of reinforcement units. How many of those units we have is a dark secret of the military authorities. They absolutely refuse to say. I asked ten pertinent questions of the Minister of National Defence last February. The vital questions remain unanswered to-day, and the minister refuses to answer them; that is, questions having to do with the ratio of reinforcements for our armed forces overseas. The non-essential questions were answered; the vital ones were not. I challenge anyone on the government benches to say that to-day we have that ratio of reinforcements we ought to have if the Canadian army is to go into action soon, as everyone believes it will. I challenge anyone to say that we have a ratio of 100 per cent of reinforcements for the men who are likely to become casualties. I doubt if we have half that; yet I tell the minister and the membership of the government that anything less than 100 per cent of reinforcements, trained men on the ground, ready to go into their units when the testing time comes, will not be good enough to sustain the position of the Canadian army. That is the anxiety I have, and it has never been allayed by any authoritative figures from the ministry of national defence. They absolutely refuse to divulge this information, though not on the ground that it would be of aid and comfort to the enemy. Not at all; that has never been urged as the reason. They refuse to divulge these figures, and I have the right to form my own opinion as to the reason. My interpretation is that they have not enough and they are ashamed to say so, because if they have not enough I think it is their bounden duty, as the government of this country in a time of war, to get the men, and they have full authority to do so. That is the position.

What did the figures given by the minister the other day indicate? I want to analyse them briefly, and then I am done. The minister revealed that the call-up notices sent out had numbered 988,475; I believe that is his exact figure. At the same time the minister indicated that as a result of these call-up notices some 608,642 men reported for medical examination. So that at that time there remained unaccounted for some 379,833 men, and there was no explanation given on Wednesday such as has been conjured up here to-night. I am going to help out the minister. Owing to faulty bookkeeping; owing to a lack of liaison between the recruiting offices and the office of national war services, as it was then, undoubtedly a substantial number of men who received these calls volunteered for service, were included in the active army, and became unaccounted for in so far as these figures go. Undoubtedly the reports which should have been made by the recruiting division of the national defence department were not made to the national war services department, or, if they were made, they lagged dreadfully. How many were included in that category I cannot say; I assume perhaps there were 50,000 or more, but that is a long way from 379,833.

There was a method by which each of these men could have been accounted for. There is an official in the Department of National Defence called the director of records, and I do not suppose there is any harder worked officer in the department than this same official. Exact records are kept of every man who has enlisted. When a man enlists voluntarily his papers go to the district office of the director. I happen to know the official in charge of that duty in New Brunswick, and he is as thorough and as exact as would be a chartered accountant. It takes a little time.

Then those figures are passed along to the head office in Ottawa. They are all collated, and every man is given a ledger, or a dossier, or whatever one would call it. And there was available at all times to the national war services department the good offices of the director of records here in Ottawa, or of the district recorders—for want of a better term—in the military districts.

I am told there was an absolute lack of liaison on the part of the army, the recruiting division of the army, the recording division of the army and the Department of National War Services. Then, undoubtedly there have been some deaths. Yes, undoubtedly there are some deaths, and the minister is entitled to the benefit of that number. How many? Nobody knows. There is no record of it.

In connection with notices, I think if the minister would be candid with us, and if he would tell us what has actually happened, as revealed in a survey which his department ought to have made, if indeed it has not made it, he would admit that there is case after case after case where certain officials of the government of Canada have deliberately not delivered the notices, or have reported that the men had gone away. I have heard of a case where a postmaster had reported a man was deceased or a man had gone away. That is one reason why some of these notices were not delivered. I wonder how much of a check-up was ever made.

Mr. MITCHELL: If the hon. member has knowledge of a case of that kind I should like to know about it.

Mr. HANSON (York-Sunbury): I have heard of it.

Mr. MITCHELL: I should like to know about it. I have heard of it, too, but I do not know about it.

Mr. HANSON (York-Sunbury): Then it is the minister's duty to find out. If a report like that is given to the minister, it is his duty to have it checked. It is not my duty.

Mr. MITCHELL: I would ask my hon. friend—

Mr. HANSON (York-Sunbury): I am pointing out the possibility of such things. But the fact remains that according to the minister's own figures there was a huge discrepancy of 379,833. I have tried to help the minister out by giving some explanations. I want to say further on that point that because there was a lack of liaison between the recruiting officers of the Department of National Defence and of the naval—well, I am not sure about the naval department—and of the air department, there have been heart-rending cases in Canada. There have been some very sad cases in this country.

I have in mind a case of a noble young man of my city, who was in the proper age category. When the time came, that young man enlisted immediately in the air force. He was sent to the manning pool at Toronto. He earned his commission, went overseas, and will never come back. But his father has been receiving calls for him to report, or else the mounted police will come and take him. That boy lies over yonder. That is the sort of thing which should never be allowed to happen. There are many men in that category.

Then, there are many more men in the category of those who have enlisted voluntarily, who have reported and gone into active service, but for whom calls are still coming. I know of the case of a young man, and I shall be glad to give the minister his name privately; I do not wish to place it on the record. In this instance one could scarcely believe that what happened could be possible. This young man was called for service, and had enlisted weeks ago. He was actually working in the same building that housed the administrative offices of the department from which were being sent calls and threats addressed to him. One would scarcely believe that could be possible, but I know it is so.

Of course I believe that is an isolated case, and it might happen even in the best of regulated families. But I do suggest it is indicative at least of a failure of the recruiting authorities, in the early stages. Recruiting officers were out to get their men. When they got them, and had them sworn in, their duties were over, so far as they were concerned. Of course, that sort of thing should not happen.

I should like now to deal with a further part of this picture. That great total of 379,833 is not the whole story. The department got 608,642 replies from the 988,475 notices sent out. Then it proceeded to call the men for training. In the period covered by the minister's statement they called up 289,544. But 289,544 did not report for training.

Mr. ROSS (St. Paul's): They were medically examined, too.

Mr. HANSON (York-Sunbury): Those were men called up after the preliminary medical examination. Out of 289,544 there reported only 160,162, and there are unaccounted for in that category 128,882. So

that you have that missing army, that potential army, according to the minister's own figures, of 379,833 plus 128,882, or a total of 508,715 missing men.

Mr. MARTIN: Subject to the minister's statement to-night.

Mr. HANSON (York-Sunbury): Which I propose to analyse. If last Wednesday the minister had given the authority of his position to those figures, there might be a different story. But I am reviewing what was supposed to be a complete statement of affairs made by the minister when he introduced these estimates. Since then there has been some tall thinking, because if you are to believe what the minister said last Wednesday, then the figures are nothing less than astonishing. They tell a story which is a disgrace to the Canadian people, and a disgrace to the government which is conducting the war effort. I leave that part of it with the minister, who may answer it if he will.

However, the fact remains that according to the minister's statement of last Wednesday there were 508,000 missing men. We got out of the total of 988,475 to whom notices were sent, how many? How many did the army actually get? The army actually got 126,963, who were accepted for training, or just over twelve per cent. What a situation that is!

And mind you, these men are not for active service overseas. They are for a perpetuation of two armies in this country, one at home, and an active army—a home army that ought never to have been, a home army, now that danger is receding, and has been receding month after month, and when danger of invasion is long past, a home army that will never see any fighting. And we are going to keep those men in uniform, and in expensive military camps at a cost of hundreds of thousands of dollars every day to the taxpayers of Canada. What a farce is there, my countrymen! If the government had any realistic idea of the situation, those men ought to be available for service where they can do something—after we spend thousands of dollars upon them.

I should like to know how much it costs this country to enlist a man, call him up for active service, examine him physically, put him into the army, give him elementary training and secondary training, and send him off to some camp like that at Debert. In a year's time. how much has he cost Canada? It would be interesting to have somebody give those figures. I suggest that it cost not less than $2,500 for every man.

An hon. MEMBER: $3,500.

Mr. HANSON (York-Sunbury): Perhaps $3,500. That is a mere guess on my part because I do not know. In any event the amount is huge, and to what end have we made this expenditure? In the expectation of invasion? That is all poppycock. Everybody knows that. To the end that these men shall fight Canada's battle in the theatres of war where battles will rage? Not so long as hon. gentlemen opposite follow the policy that has characterized their actions for three and a half years. That is the situation to-day.

We would never have had this home army if the government had been a responsible government, if the government assuming to run the war and realizing that it was a global war had said, as they ought to have said, "The Canadian army is for service anywhere." No; the government did not say that, and the government have not said that yet. If the Canadian army is not called up to fight, and it will not be necessary, Canada will have played an inglorious part in this great struggle. That is not the future which I would have for the Canadian army. I would not want to see the Canadian army shed blood unnecessarily, as was done at Dieppe, but I want to see our army bear itself gallantly as representatives of Canadian patriotism in this great war, just as our friends from New Zealand, our friends from Australia, our friends from South Africa, our friends from the United Kingdom and our American cousins are doing.

We will analyse the statement which the minister has given to-night. In the meantime I have given figures which I have based upon the minister's previous statement. What becomes of the basis of the theory that this is the best system of national selective service that could possibly be devised? I say to the minister that the policy is an improvisation from day to day. It never has been a basically national policy. It is like Topsy; it grew up overnight. I can see that by the end of the war in the natural course of evolution we may have a full-fledged national selective service policy—three years too late. That is all I have to say.

Mr. MARTIN: Mr. Chairman, since this debate has been under way there has been general acknowledgment from all sides of the house that we were dealing with the most difficult problem that any democratic government at any time in the history of the world

has had to deal with. On former occasions when this matter was being discussed hon. gentlemen pointed out to whatever minister was then in charge of the problem of Canadian man-power in relation to war that the government had no man-power policy at all. Some hon. gentlemen still persist in that view. Almost without exception, every speaker on the opposite side has begun his remarks by congratulating the present minister. Without wanting to show needless discrimination, the most thorough critic of the government on the opposite side was the hon. member for Lake Centre (Mr. Diefenbaker). When congratulating the minister he prefaced his remarks—I think he was most fair in so doing—by saying that the minister was dealing with the most difficult problem that any nation had to face at this time. It is in the light of this difficulty that the whole problem must be considered.

One could transpose the *Hansard* of this house into the congressional record of the United States, into the debates of the British House of Commons, into the debates of the Australian parliament, or into the debates of the South African parliament; one could read the debates of any of these parliaments, and one would almost think he was reading a discussion of the man-power policy of Canada. In considering this tremendously difficult problem we are dealing, not with milk bottles but with human beings who have family affiliations, who have financial interests, who have love of community, who have in their veins, as we all have, the persistent quality of love of freedom. That is why we realize that this problem is a tremendously difficult one. We find it difficult, and perhaps there may be, not justification but some extenuating circumstance in the fact that in those countries where the democratic process does not prevail, particularly Germany, where the individual is an ordinary commodity that can be shifted about and dealt with as though men and women were not human, they have had and have a man-power problem, although long before the war they were moving their men and women about in the fashion that total war envisaged. The fact is that in Germany to-day there is a bottleneck of man-power, even though they are able to call for assistance upon those countries which have been occupied by Hitler and his associates. If this is a problem in the totalitarian countries where there is as full a regimentation as possible, is it any wonder that we in this country should find it difficult? It is difficult, extremely difficult. The minister in his statement in chief indicated that this was why he suggested to hon. members that they should offer criticisms of the present policy such as it is.

An hon. MEMBER: Constructive.

Mr. MARTIN: Someone suggests, constructive. I think on the whole that suggestions by hon. gentlemen opposite have been constructive, although they have consistently pursued the view that the government's man-power policy, which they now accept to be a fact, is nevertheless conceived on terms that suggest a day-to-day policy. If the hon. member for York-Sunbury (Mr. Hanson) had one theme running through his speech, it was that we had a day-to-day policy, a policy that was evolutionary; that we did not have a master scheme, that we simply day by day devised ways and means of dealing with the inevitable competition for men by the armed services, industry and agriculture. Of course it is a day-to-day policy. Of course it is evolutionary. Is there any hon. member who can think of a policy being otherwise conceived? Is there any country in the world, apart from the totalitarian powers, that has anything but a day-to-day policy? Can anyone envisage in a democratic country the full utilization of man-power by the three branches in terms of the ultimate sequence of the war? Of course not.

The hon. member for York South (Mr. Noseworthy) quoted Eric H. Biddle who, in the opinion of Mr. Ernest Bevin, has written some of the most serious studies of England's man-power policy. Let us see what Mr. Eric H. Biddle had to say only a short time ago about the character of Britain's man-power policy. I quote from a pamphlet entitled, "Man-power" a summary of the British experience, as follows:

> A second type of assumption implicit in the British man-power programme was that the powers of compulsion should in practice be extended gradually, and should not be applied faster than an organization could be constructed to administer them efficiently. Thus the powers of compulsion have been used more to consolidate the positions won by persuasion than to initiate new methods for the assignment of skills. The government did not seek statutory powers to apply compulsion in civilian employment at the earliest stage. When it did seek these powers and got them, it proceeded to perfect its administrative organization, which was based to the greatest degree possible on voluntary cooperation and persuasion. And finally, it has applied its compulsory powers only to the extent necessary to channel the requisite skills to the place of greatest need. Only incidentally were these powers necessary to prevent the negligible minority from escaping their proper share of the national service obligation.

That was Britain's method; that is Britain's method. That is the day-to-day method, the

evolutionary method, and that, as the hon. member for York-Sunbury has said, is exactly our method too. Yet Mr. Corson, whom the hon. member for Lake Centre will recall as perhaps the man in the United States who has the best knowledge of the man-power policy and the selective service system of the United States and Britain, has said that in terms of success Britain's policy of selective service comes first. In the same book, "Victory for Man-power", he says in speaking of bottlenecks and the muddles of the United States selective service system that both the United Kingdom and Canada serve generally as models for man-power mobilization in terms of war service. Therefore our policy, while not perfect, while day to day, is nevertheless not deserving of the carping criticism which sometimes one hears in this house and more particularly outside in these days.

The hon. member for York-Sunbury, referring to table No. 1 presented by the minister on Wednesday last, made his speech entirely on the basis of certain differences that he saw in that table. One cannot quarrel with him for that. It might have been better—it could have been done because the material was available—for the minister to make then the speech that he did tonight by way of explanation. But it would have been a long speech, and it was thought that in the general debate that would follow some of these things could be demonstrated.

What do these figures indicate? And they deserve to be repeated.

As at May 15, 1943, the inventory of men in the designated classes was as follows:

Men in designated classes as at 1940 registration total	1,043,163
Less those in course of being called (54,688) net	988,475

That is the total figure, and it is the figure to which hon. gentlemen should address themselves.

Men now in armed forces who came out of foregoing pool	550,692
Men now on postponement	100,973
Men unfit	257,103
Men in C.O.T.C. and auxiliary units	5,776
Statutory exceptions (firemen, policemen, clergymen, judges, enemy aliens)	6,257
Men being traced	67,674
	988,475

Compare those figures with those of any other country in the world, and you will find that balance does not deserve the heavy denunciation which it has received. I suggest to the hon. member for York-Sunbury that instead of going on the basis of the minister's presentation of Wednesday night, without the explanation he gave in his speech to-night, he should to-night have relied on the minister's explanation of the figures previously given rather than allow to go out to the country the kind of limited understanding his speech will needlessly provoke.

The hon. member referred to the fact that we had a registration in 1940. He referred to the fact that there were imperfections in that registration. I believe there were imfections which, if we had known of them then as we know of them now, would have been avoided, but hindsight is always better than foresight. The thing to remember is that since the national registration of 1940 there have been continuing subsequent registrations, and they deserve to be mentioned.

There have been special registrations of persons in insurable employment as of April, 1942; of unemployed males as of June, 1942; of women aged twenty to twenty-four as of September, 1942; employer's reports, January, 1943; registration of nurses, March, 1943; registration of men in designated age classes who had not received "order-medical examination", March, 1943; men employed in certain less essential industries and occupations, May, 1943. Third, there has been a continuing registration of the unemployed at local employment offices, September, 1942.

So that when one talks of the failure of the registration of 1940 as it is sometimes referred to, these other registrations should be borne in mind. While I have not and do not pretend to have the knowledge of this problem that the minister and his officials and many other hon. members have, because my contact with it has been of recent date, I want to say this, and perhaps I am sufficiently removed from the administration of the department to be able to say, that there is no group of civil servants in this country, first of all those located in Ottawa, who are devoting more of their time day and night in trying to perfect this system than the officials of the Department of Labour and of national selective service. The same thing applies to the outside personnel and the increased number of offices. The latter have been more than doubled and their staffs have been increased throughout the country. They have had imposed upon them a tremendous task, a task which they are gradually and more effectively falling into with greater efficiency and greater ease. As the minister said, and the hon. member for York-Sunbury concurred, these gentlemen would take second place to none in affirming that the men and women who serve in the selective service offices throughout the country are doing their utmost in this difficult problem to deal with the various orders and directives that come to them centrally from Ottawa.

I think the best way to analyse the difficulty of this problem is to examine the speech that has just been delivered. The hon. member for York-Sunbury was frank to say, and I admire his frankness, as he has said in practically every speech he has made in this house since the beginning of the war—I have analysed them all during the past two weeks—that his primary concern is to get men for the army. One can well understand that as being his concern. What he is concerned about is getting reinforcements. He is not so much concerned now with fitting round pegs into square holes. His primary interest in the problem of selective service and of man-power is to see that there is a constantly increasing flow of men into our armed services. With that I do not quarrel. But relate that to the general criticism that is levelled. We are told that we have three groups that are competing for men in this country—the armed services, industry and agriculture. You cannot have the sort of plan the hon. member for York-Sunbury was talking about if you think solely in terms of one of these competing groups.

The best way to illustrate that, I think, is to remind the committee of a speech made by the hon. member on April 20, 1942. His speech will be found at page 1752 of *Hansard*. The hon. gentleman had gone on in eloquent terms to urge the government to make sure, as we all want to do, that there would be an adequate flow of reinforcements, that Canada would be able to have in her armed forces a number of men commensurate with our strength, with our dignity, with our convictions. He urged us not to pursue in our attempt at patriotism a policy of expediency with individual cases. Then he cited a case, and here are the words:

> Last week a woman, whose husband was ill, came to see me. She had a son eighteen years of age, who was the only support of her family, and he was being refused employment in New Brunswick under the provisions of the government's man-power policy.

I am not going to argue for one moment that that case was not deserving. I am not going to suggest that it did not merit the very attention which the hon. member for York-Sunbury wanted. But what I do wish to point out is this. Hon. gentlemen cannot urge in this house and in the country a man-power policy which will be rigid, which will be non-discriminatory, and at the same time rise in their places and make pleas for special cases.

Mr. ROSS (St. Paul's): Why not?

Mr. MARTIN: I will tell the hon. member why not. I think it is perfectly obvious, but evidently I have not made myself clear, and I will do so for the hon. member, who usually does not require such elucidation.

[Mr. Martin.]

Mr. ROSS (St. Paul's): I do not think the hon. gentleman has made himself clear.

Mr. MARTIN: Well, I am trying to explain it. I say that if you are to do what hon. gentlemen opposite want, and by compulsion take men and women and put them into places where it is thought they are best suited, you have not the right to say that there are instances where you should not pursue that policy. Either the policy is correct, or it is not. But the very incident quoted by the hon. member for York-Sunbury is a justification of our policy. We are not treating human beings as commodities; we are treating them as human beings. We recognize that that boy, the only support of his mother, had the right to special consideration. Under the kind of policy that Hitler has, under the kind of policy which some of the hon. gentlemen in this house advocate, you could not have that treatment. But this is why we have proceeded step by step, and also why we have not except in two instances applied the element of compulsion. We felt, and I support this view, that if we could get men to go into the armed services and into industry and into agriculture voluntarily, it is more effective to get them in that way than to put them in by compulsion. That is the reason why our policy is one of evolution; that is why it is a day-to-day policy meeting day-to-day needs; and if there is any hon. member who can suggest any other more effective method, I trust that in the course of this debate he will do so.

Mr. ROSS (St. Paul's): I suggest to the hon. gentleman that since the war broke out it might have been a very good idea if they had had a plan, and that they have had no plan since the war broke out.

Some hon. MEMBERS: Order.

Mr. ROSS (St. Paul's): No policy and no plan.

Mr. MARTIN: The hon. member says there is no plan. May I suggest to him that there is a definite plan, and, apart from magicians, it would seem to be the only possible plan, namely, by persuasion, as they have done in England, and in certain emergencies with respect to civilian occupations, by compulsion if necessary.

Mr. ROSS (St. Paul's): That has been done by leadership.

Mr. MARTIN: —to urge upon our people to help on the farms, to go into the armed services, and to serve the country. No one can say that that plea and that persuasion have been ineffective, because the people of Canada have done that very thing. But what

are the facts? Hon. gentlemen are worried about shifting people here and shifting them there without paying much attention to whether they have gone into these places voluntarily. What are the facts?

Mr. ROSS (St. Paul's): You have no compulsion to-day.

Mr. MARTIN: We have on two orders. To-day in Canada, the minister stated last Wednesday, 5,100,000 men and women out of a total population of 8,720,000 aged fourteen years or over are in the armed services or at work. I ask hon. gentlemen to compare that figure with the record of any other country in the world, with the one exception of Britain, and say if any has a better record.

Mr. ROSS (St. Paul's): Why except Britain?

Mr. MARTIN: Because, while I could easily make a generalization, I am in the habit of stating what I believe to be the truth. The fact is that Britain, with a natural urge that is not so persistent elsewhere—

Mr. ROSS (St. Paul's): That we do not have.

Mr. MARTIN: —Britain, a unitary state, not having the same difficulties in transporting her people, displays, as I am proud to rise in my place in this house and say, the shining example of an effective selective service system. She has had the advantage of a machinery which is over thirty years old. She has an unemployment insurance scheme which outdates ours by many years. Ours came into being only about two and a half years ago, but I defy any hon. gentleman to say that in those two and a half years the organization which has been built up is not one of which we in this house and the people of this country have every reason to be proud.

Compare ourselves with the United States. They have an unemployment service ten years old, one of the models in the democratic world; yet it will be found that ours, which is of much shorter duration—

Mr. MacNICOL: They have not had unemployment insurance for ten years.

Mr. MARTIN: But they have had an unemployment service office for ten years.

Mr. ROSS (St. Paul's): So have we.

Mr. MARTIN: The hon. gentleman says that we have. We had provincial offices. But the system was not integrated, and they were not part of a national scheme. That came into being under the Unemployment Insurance Act. These extenuations may not be justification for the weaknesses of our policy, but they certainly are extenuations.

The hon. member for York-Sunbury made a plea for greater equality of sacrifice, saying that there are some parts of the country which are not giving as much as the others. I cannot quarrel with that. Not much is to be gained by saying where that persists. But can any hon. member here provide a yardstick by which equality of sacrifice may be measured? Can anyone compare the heroism of the people of Stalingrad with ourselves at home? Can anyone compare the horrors through which the people of Poland have gone with any horrors of which we have personal experience? Can we compare ourselves with the people who were subjected to the blitz in Britain? Of course not. Equality of sacrifice is the thing that one should aim at, but merely to aim at it does not mean that equality can be realized. The fact is that the Canadian people in all walks of life, primarily those in our armed services, those who are serving in our war plants, the ordinary man and woman, the little man and woman in this country and the rest of us, with all our weaknesses, with all our imperfections of governmental machinery, are nevertheless putting up an effort of which we shall in the terms of days to come have every reason to be proud rather than to be ashamed. It is in that spirit, I believe, that this whole policy should be looked at.

Now, Mr. Chairman, I simply say this. This policy is not perfect by any means. Some hon. gentlemen may say it should have come earlier, and perhaps many will find reason to agree with that. Some will say that there should be a greater amount of compulsion than has been exercised, and that, too, will be a fair issue. Remember, sir, it will only be an issue. Those who entertain the view that persuasion is better than compulsion may be perfectly honest in that view. That is the view which we are trying, and have been trying during these last years, to meet. Where compulsion has been found necessary it has been exercised. Faced with a coal emergency we have sought to exercise, with reason, prudence and understanding, because we are dealing with human beings, the phases of compulsion. With regard to certain non-essential occupations, without trying needlessly to disturb our people, at long last we have been obliged to disturb them and to ask them to leave their normal vocations, and, if they are within the military ages, to go

and serve in those places where they will more directly assist the government at this time of our peril.

That is the record. That is a policy in terms of estimates of man-power supply and requirements, a policy in terms of the allocation of supply, a policy in terms of control of employment, a policy in terms of improvement in efficiency of welfare and administration. The work that we have done, with respect, for instance, to the endeavour to bring recreation facilities to workers through cooperation with the provinces, our efforts with respect to day nurseries, particularly in the provinces of Ontario and Quebec, trying thereby to introduce a greater and greater number of women into factory life—all that is part of a policy that is slowly perhaps but gradually making headway. And those hon. members who think we have not even now the sort of thing that was envisaged by a former director of national selective service, find it difficult, with the one sole possible exception of a suggested separate department, apart from full compulsion, to notice in the government's present man-power policy anything really distinguishable from that suggested by the former director of national selective service. I say that the problem has its difficulties. We are a democratic country, a people who are deep-rooted in the desire to be left alone. We do not like to be moved out of our jobs; we do not like to do things that disturb our family attachments or our community interests. But our people have done that very thing, and in its policy of bringing these things about, in the fashion it has, perhaps not always strong, perhaps not always as vigorous as some hon. gentlemen think it should be, nevertheless the government has pursued its course with vigour, with understanding and with results. I submit to you, sir, that nothing else counts.

Mr. DIEFENBAKER: In common with other hon. members I followed with great care and attention the address delivered by the parliamentary assistant to the Minister of Labour. As I listened to that speech I felt that the two problems that should be faced and that were referred to by the hon. member for York-Sunbury (Mr. Hanson) were precisely the two problems which the hon. gentleman did not face in the argument he advanced. He said we could not expect to have equality of sacrifice. No one in this house can disagree with that statement. He spoke of the sufferings of the people of Stalingrad and of the sacrifices of those who to-day are serving in the various theatres of war. He said that their sacrifice and their heroism made impossible equality of sacrifice on the part of the people on the home front in Canada. With that statement no one can disagree. The argument advanced by the member for York-Sunbury was not based on the principle of equality of sacrifice; it was based on the question whether or not this government was assuring equality of opportunity for service by the people in every part of this dominion. The argument which he advanced was that since the National Resources Mobilization Act was brought into effect there never has been, and there is not now, equality of call in every province and in every part of the dominion. I shall deal with that not by figures of far-off months, but by reference to a table that was recently brought down in this house in the form of a return which shows the call-ups between October 31, 1942, and April 15, 1943, which conclusively establishes the fact, which neither the minister nor the hon. gentleman who has just taken his seat has dared to try to answer, namely, that there is not now, nor has there been, equality of call in every military district in Canada, nor any reasonable approach to equality of call.

Mr. MARTIN: Take page 10.

Mr. DIEFENBAKER: I will take figures not in the reformed, revised, enlarged computation which it was found necessary to bring down to-night, because of the impossibility of any statistician arriving at any conclusion on the basis of the figures that were brought down a week or so ago. The tables a week ago revealed a muddle. The tables brought down to-night reveal a muddle of the muddle and reveal no clarification whatsoever of the earlier ones. I will take the figures set out in a return brought down recently by the government. That will show exactly whether or not there has been equality of call.

The next point raised by the hon. member for York-Sunbury was that there was lack of enforcement of the law so far as the National Resources Mobilization Act was concerned. All of us admit that lack of enforcement of the law tends to disruption and confusion. I was surprised to find that that, too, was one of the things the parliamentary assistant did not answer. He dealt with many other matters, but the two subjects dealt with by the hon. member for York-Sunbury, namely, inequality of call in every province and in every part of Canada, and, second, inequality in enforcement, with the large numbers who are delinquent in consequence and amounting to hundreds of thousands, were not answered nor was there any attempt to answer them.

The other day, on June 23, the minister himself tried to answer the argument I had made on many occasions in this house, that

there was inequality in the percentage of call-ups for men for military service in the different military districts. As reported at page 4030 of *Hansard,* he used these words:

The instructions to all mobilization divisions are to bring the men in the designated classes under the regulations as quickly as possible and to deal with them as rapidly as the machinery available permits. The districts vary in size. Some have greater difficulty in getting accommodation and staff. Therefore the speed of selection varies, but in the end the result sought for is obtained—that is, all men fit for service, in the designated class, who are not given postponement and have not volunteered for service in the armed forces are selected.

That statement is not in accordance with the known facts. The minister gave two reasons why there might be inequalities. The first reason was that the districts vary in size. What difference is there in the matter of call-ups on the basis of population because one district may be larger than another? That answer does not afford any defence for what is taking place. The second reason given was that some districts have greater difficulty in getting accommodation and staff. Well, Mr. Chairman, this same matter was dealt with by the Minister of National Defence at page 3059 of *Hansard* for May 26, when I drew to his attention the fact that there was inequality in call-ups, and that those districts in which the greatest number of volunteers were secured were the districts in which the largest percentage of men were being called up under the mobilization act. This is what the minister said:

Mr. Ralston: I do not requisition from particular districts. I ask for so many men to report at different depots. They can come from British Columbia, Halifax, anywhere at all; I do not designate the district from which they shall come.

Mr. Diefenbaker: Every one of the ministers says that some other minister is responsible.

Mr. Ralston: I do not think I am one who attempts to shelve responsibility.

Mr. Diefenbaker: No; the minister does not.

Mr. Ralston: I am asking if my hon. friend suggests that I dictate where the men shall come from?

Mr. Diefenbaker: I do not care who is dictating. I want an explanation from the responsible minister why this condition prevails.

Mr. Ralston: I am only saying my hon. friend cannot get it from me.

Then a little later:

Mr. Ralston: What we do is to make a requisition or statement showing that we want so many men at such and such a depot.

And mark these words:

The men may come to these depots from any place in the dominion. National war services and more lately the Department of Labour, through its registrars and boards, decide what men shall be requisitioned.

The Minister of National Defence indicated that men are called from all over Canada; that regardless of the districts from which they are called they are concentrated in the various camps, without regard to the provinces from which they are called. We are in the position that no member of the government has answered the claim made by me on more than one occasion in this house, reiterated to-night by the hon. member for York-Sunbury, that there is not equality of call throughout Canada.

Let us take the facts revealed, not in the recently revised, enlarged or expurgated computations, but those contained in a return brought down on June 17, 1943, in answer to a number of questions I had asked. I am going to place on record the information contained in this return, because it shows the facts as they are; it reveals the inequalities of the call-up and demonstrates that even yet there is no approach to equality of call in the various military districts of Canada. These were the questions:

1. How many men, by military districts, were requisitioned for by the Minister of National Defence for call-up under the National Resources Mobilization Act since October 31, 1942?
2. How many notices were sent out pursuant to requisition?
3. How many men, to whom notices were sent, reported?
4. How many of those reporting received medical examination, and of these, how many passed?
5. How many of the men to whom calls were sent were duly enrolled?

In the answer it is stated that the total requisitions, both new and supplementary, between October 31, 1942, and April 16, 1943, were 104,684. It sets out the numbers called in each military district, and then, in reply to paragraph 4, states that the following numbers were accepted:

"A" London	2,419
"B" Toronto	7,110
"C" Kingston	1,072
"D" Port Arthur	583
"E" Montreal	6,413
"F" Quebec	2,356
"G" Halifax	2,995
"H" Saint John	1,532
"I" Charlottetown	419
"J" Winnipeg	2,276
"K" Vancouver	3,445
"M" Regina	2,774
"N" Edmonton	1,842

I have analysed these figures on the basis of the statements made in the February issue of *Canada At War,* page 22; I have arrived at the figure of the number of men available in each military district, after making allowance for the number of men who have enlisted, and I find that if there had been

equality of call, in order to secure the men called up during this period, the rate of call from the available pool would have been 2·22 per cent. What I mean by that is this, that with all the available men remaining in the various military districts, after deducting from the pool as it existed at the time of registration, and as brought up to date by the subsequent registration, the numbers who are in the army whether voluntarily or under the mobilization act, the percentage of call would have been 2·22 per cent. What do we find? In district No. 1, London, the percentage of call was 2·41, or just a little over the average. In Toronto it was 2·78 per cent. In Montreal it was 1·8 per cent, or 34 per cent lower than the average call. In Quebec it was 1·16 per cent, or 91 per cent less than the call would be if it was equalized throughout Canada. In Halifax it was 4·2 per cent, or far above the average. In Saint John and Charlottetown combined rate was 3·8 per cent; in Winnipeg and Port Arthur combined, 4·16 per cent; in Vancouver, 2·87 per cent; in Regina, 2·2 per cent; in Edmonton, 2·13 per cent.

We find therefore that the same inequality in calls which was taking place prior to the month of October, 1942, is being continued in practice, and there is no defence by the government to the charge that there is no equality of call, excepting that the minister says there are two very good reasons by way of defence. I have referred to those reasons, neither of which explains the situation as it is.

The other point dealt with by the hon. member for York-Sunbury was the question of the number who to-day are wandering in the byways of Canada, who have received a call, but who have not turned up. Mention was made by the parliamentary assistant to the question of national registration. He pointed out that there was national registration in 1940, and that there had been a number of registrations since that time.

Is there any member in the house who will say there has been any endeavour on the part of the government to enforce compliance with the national registration. I do not know how many prosecutions there have been. I speak for the province from which both the Chairman and I come when I say that the number of prosecutions in that province—and I speak subject to correction—does not exceed fifty. The only occasion when there is a prosecution for failure to register is when a man is brought up before the court on some charge or another, and it is found he has not a national registration card.

There has been no enforcement of the provisions of the national registration of 1940, and little or no enforcement since that time for non-compliance. There is only one way in which this question can be brought to a head, as I see it, and that is that once more there will have to be a national registration, and an enforcement to ensure strict compliance. I do not think it is possible to-day for the Minister of Labour or for any other minister of the government to know to what extent there has been an evasion of national registration.

Mr. MITCHELL: I can give my hon. friend the figure immediately, if he would like to have it?

Mr. DIEFENBAKER: Yes, I would.

Mr. MITCHELL: To date there have been 1,351 prosecutions, of which 1,326 have been won by the crown.

Mr. DIEFENBAKER: Is that in connection with national registration?

Mr. MITCHELL: Yes, and 14,932 in the hands of the police at this time.

Mr. DIEFENBAKER: No, no; those figures do not answer me at all. Those are figures connected with prosecutions for failure to answer the call-up for military service. I am talking about prosecutions for failure to register under national registration.

Let me say this, too, that the figures the minister has placed before the committee show conclusively how indifferently evasion of the call-up is being enforced. I shall give figures in connection with the call-up, not from the revised list, but from the booklet "Canada at War", issued in February last by the wartime information board. The figures are to be found at pages 22, 23 and 24. They show the government admits that 135,890, of those called up, namely 1,028,753, never replied. They did not answer the call. And of the remainder, after deductions are made for those who received postponements, and for those proved medically unfit, there were 205,776 still unaccounted for. That makes a total of 341,000 men unaccounted for in December, 1942. Those are the studied figures sent out by the wartime information board. As a matter of fact, to-day the minister says there are only 13,000 or 14,000 delinquents in Canada.

Mr. MITCHELL: I never said that. Fourteen thousand names have been handed to the police.

Mr. GARDINER: Thirteen hundred have been already in court.

Mr. DIEFENBAKER: Fourteen thousand names have been handed to the police. Even in February, as shown at page 24 of this

booklet, it was admitted that the total number of medical notices undelivered was 87,485; military training notices undelivered, 9,345, and cases pending, delinquents, or otherwise unaccounted for, 98,128. Those are the war-time information board's figures in February last, and they show the number admitted to be delinquents, out of approximately 1,000,000 calls, to have been 194,958 men.

If the government would admit that it is having difficulty; that it cannot enforce the law; that it has not the moral suasion; that it has not the necessary police force, and that it was endeavouring to enforce the law equally, then one would have more sympathy with the minister's department. But that is not the answer.

I wish now to refer to Mr. MacNamara's speech to the Academy of Political Science in New York, in which he gave various reasons why it is difficult to mobilize man-power in Canada. In this speech, to which I referred the other day, he closes with these words:

We have felt our way slowly; are still feeling our way.

Well, Mr. Chairman, after four years of war are not the people of this country entitled to better than that? Can we not have a better answer than that with respect to inequality of call and inequality of opportunity of service for the people of this dominion? Can we not have a better answer than that we have felt our way slowly, and that we are still feeling our way?

When I read this speech I ask myself this question: What defence does the government offer to this speech wherein is set out the situation in Canada respecting man-power? What defence does it offer as to why there has not been the type of war effort Canada has a right to demand? On the first page he states that the situation in Canada is different from that in the United States. It states:

While time will not permit a detailed analysis of the differences and similarities between Canada and the United States, it seems advisable to mention some of the more significant items in any such comparison as a background against which you may consider Canada's man-power policy.

Like the United States, Canada is a federal union, but, because there are only nine provinces as against forty-eight states, the opinion of each province probably carries a greater weight in determining federal policy than does that of any single state.

That statement is a negation of the principles of the Canadian confederation, and a denial of the hopes of the fathers of confederation. That statement, translated into simple terms, means this, that in Canada any one province, be it Saskatchewan, or any other province, may hold the government back, because of the greater influence possessed by one province in a confederation of nine, than one state in a confederation of forty-eight states.

Next follows something that is rather interesting, an admission of what we have contended on many occasions, that the government of this nation, in so far as the war is concerned, is a matter of government by order in council. This is what Mr. MacNamara said:

Most of Canada's war-time policies are expressed in orders in council comparable to your executive orders, passed by the cabinet under this authority and simply tabled in parliament.

It remained for the deputy minister to place before the people of the United States that which has been denied times without number in this house, that parliament has ceased to function in so far as the war-time policies of Canada are concerned, and that they owe their inception in orders in council. Then follows the strangest doctrine I have ever heard advanced by any Canadian. I know my hon. friends from Quebec are just as anxious as anyone else for equality of service.

Mr. DUPUIS: Equality of privilege.

Mr. DIEFENBAKER: Equality of privilege and equality of opportunity for service. The deputy minister said:

Consequently all government policy has to run the gauntlet of democratic review, in that disapproval of any major policy would necessitate the resignation of the government and, unless the opposition could command a sure majority in the house, an appeal to the country in the form of a general election.

Although Canada like the United States is a land of many peoples, the fact that we spring chiefly from two main stocks, French and British, somewhat complicates, although it also enriches, our political and social life.

Certainly it enriches our political and social life. I continue:

Every government policy must be framed with due regard to their special rights—

That is true.

—and their convictions.

If that statement represents the viewpoint of the government, it denies the hope that this country will ever become united from the Atlantic to the Pacific, it denies an opportunity to the people of this nation to become Canadian, united, firm, strong and free under the British crown, united in their desire to dedicate themselves to common service and common sacrifice. I repudiate the doctrine enunciated in that speech. That will not make for true Canadianism. It is the type of doctrine

that will tear this country asunder, will split our people apart, and will separate us, instead of bringing us together in the bonds of common sacrifice in war.

Is it not time that we gave to the people of all parts of Canada equal rights of service, so as thereby to enrich the Canadianism of which we are so proud? We should give an opportunity to every man and woman in every part of Canada to serve equally as nearly as possible. The people in the province of Quebec are perfectly willing to defend Canada. They accepted the National Resources Mobilization Act; they accepted the principle of service for the defence of Canada, but under the enforcement of the legislation to-day they are being denied the opportunity that the other eight provinces have, namely, the privilege and honour to march together regardless of racial origin in a union such as we have never known before.

Mr. CASTLEDEN: The parliamentary assistant to the minister tried to spread some sugar over the selective service policy when he termed it the master plan. The fact that the figures given on Wednesday have had to be revised this evening would seem to be a contradiction of what he was trying to say.

Mr. MITCHELL: There was not a revision of figures.

Mr. CASTLEDEN: We tried to base our argument on the figures that were given on Wednesday, and those that were given this evening make it rather difficult for us to estimate exactly what is going on. Why was not this explanation given on Wednesday?

Mr. MITCHELL: In view of the confusion I thought I would give a simpler statement.

Mr. CASTLEDEN: Apparently it was required, but it should have been given on Wednesday. I think it must be admitted that when the board in one province grants postponements to the extent of ninety-three per cent and the board in another province grants them only to the extent of sixty-one per cent, the average for the whole dominion being eighty per cent, there is something definitely wrong. I realize that there are difficulties in this selective service the same as there are in many of the things we are trying to do in this war, but there is something wrong when the board in one province shows a tendency not to grant postponements to this extent. The government should have rectified this. I cannot understand why this condition should have been allowed to exist for two or three years. It is unfortunate that Saskatchewan should have been singled out in this way. I live in that province; I come in contact with the people, and I hear of cases such as that of the only son of a man practically blind who was taken off the farm, while two or three miles away two or three sons are allowed to remain. Such inequalities should not exist.

It seems to me the registration of 1940 was badly conducted. I do not know the minister's estimate of it, but I believe it was worth very little. The fact that selective service has operated under so many ministers in three years is proof of the situation we are getting into. The figures given this evening with regard to the number of call-ups and the number of cases in the hands of the police is evidence that the thing has been working poorly. Those who have not answered their call-ups have not been checked up soon enough. The difficulty with the board in Saskatchewan must have been owing to personnel. Who was the representative of the army sitting in with that board?

Mr. MITCHELL: There is no representative of the army who is a member of the board, but the representative sitting in was Lieutenant-Colonel A. S. Redford.

Mr. CASTLEDEN: Is he also officer commanding district depot No. 12?

Mr. MITCHELL: I do not know.

Mr. CASTLEDEN: I think we ought to have that information.

Mr. MITCHELL: I shall be glad to get it for the hon. member. I let the army run their own show because I have a large enough undertaking myself.

Mr. CASTLEDEN: It seems to me there is something wrong here, too.

Mr. GARDINER: He has never been in charge of district No. 12.

Mr. CASTLEDEN: I asked whether he was an official of the district depot.

Mr. GARDINER: He has never been in charge. He is appointed by the military authorities to appear before the board in the interests of the defence department.

Mr. CASTLEDEN: Was a similar representative of agriculture chosen to look after the interests of that industry? Could I have the name of that man?

Mr. MITCHELL: Mr. Dawson.

Mr. CASTLEDEN: Did he take the place of Mr. Milliken, who was appointed last January?

Mr. MITCHELL: Yes.

Mr. CASTLEDEN: Mr. Milliken was an agricultural representative. He tried the job for two or three weeks and then gave up in desperation, because he had so many cases that he just could not handle them. I should like to know whether Mr. Milliken at the time of his resignation made any recommendations as to what should be done. His statement to the press was that it was such a terrific job he could not possibly handle it.

Mr. MITCHELL: He was the legal representative of the pools out there?

Mr. CASTLEDEN: Yes.

Mr. MITCHELL: He found that in view of his legal practice it was not possible for him to continue in view of representations that farmers would make through legal counsel. In place of Mr. Milliken we appointed Mr. Dawson who, I understand, is giving satisfactory service.

Mr. CASTLEDEN: The point I wish to make is this. A good many people, as soon as they heard that Mr. Milliken had been appointed, wrote to him to ask for a postponement. They received no reply, because almost right away Mr. Milliken resigned, and their letters apparently were lost. A good many cases came to my attention which had received no consideration at all. The next thing the applicant knew he was called up. Who preceded Mr. Milliken?

Mr. MITCHELL: I do not know. It was not under my jurisdiction then.

Mr. CASTLEDEN: One of the most discouraging aspects of the whole situation was that the Prime Minister had made an announcement in March, 1942, to the effect that from then on those engaged in agriculture would pretty well be kept in agriculture, and the onus of proof, according to that statement of the Prime Minister and according to the order in council rested with the board. It was the board that had to prove the men were not essential to agriculture, but the difficulty seems to be that they did not have to prove it to anyone. I ask the minister, to whom did the board have to prove that a man was not essential to agriculture?

Mr. MITCHELL: As my hon. friend understands, the board is like a court, presided over by a judge of the supreme court. The board is the final authority under the regulations and it determines whether or not a man is essential to agriculture. The board takes no direction from the minister. It is a free agent in interpreting the law and regulations.

Mr. CASTLEDEN: But according to the order in council the board had to prove that the man was not essential to agriculture. Apparently it did not have to prove it to any one. There was no other court to which it had to prove it. It had to satisfy only itself.

Mr. GARDINER: The man had to prove to the board, which was headed by a judge, that he was essential to agriculture.

Mr. CASTLEDEN: That was prior to March, 1942.

Mr. GARDINER: That was always the case prior to 1942.

Mr. CASTLEDEN: No; a change was made in 1942, and the onus of proof placed on the board.

Mr. GARDINER: The man would state that he was essential to agriculture, and his statement would have to be accepted unless it could be proved otherwise.

Mr. CASTLEDEN: If the minister will read the order in council and the statement of the Prime Minister, he will find that that is not correct. The onus of proof was on the board, and that is where the difficulty came in. There was no one to whom the board was responsible, and no appeal if anyone questioned its decision. The board was not responsible to anyone so far as I know. In fact, it is difficult even to get the evidence that was placed before the board. About a year ago, on July 5, I put a question on the order paper asking for the evidence upon which the board had decided that a man was not essential to agriculture and was called up. That question was passed as an order for a return on July 13, 1942, and the order has not yet come down. Here is the master plan at work! I should like to know how many men have been called up from farms in Saskatchewan from March 23, 1942, up to, say a month ago.

Mr. MITCHELL: I have not the figures in front of me but, if I can possibly get them, I shall be glad to do so.

Mr. CASTLEDEN: I understand men are still being called up from farms in Saskatchewan.

Mr. MITCHELL: If they are not essential to agriculture they are called up.

Mr. CASTLEDEN: Medical notices are being sent out?

Mr. MITCHELL: They get a medical examination, of course.

Mr. CASTLEDEN: Men are still being called up.

Mr. MITCHELL: Certainly.

Mr. CASTLEDEN: How many in the past month?

Mr. MITCHELL: I do not know. I will get the information for my hon. friend.

Mr. CASTLEDEN: What is the basis for the board's figures as to how many notices of medical examination shall be sent out?

Mr. MITCHELL: I thought I explained that. The boards have been directed to move in on the designated age groups and call them up. We are approaching it in that way. There has not been any allotment. We are in a mopping-up process, calling up all men in the designated age classes. These men get their medical notices, but they can apply to a board for a postponement if they are essential to agriculture.

Mr. CASTLEDEN: They can get a postponement if the board proves to its own satisfaction that they are essential to agriculture. In the spring of 1941 medical notices were sent out and a number of men took their medical examination. Then they were suddenly notified to return all their medical notices and to disregard that call altogether. They did so and thought there was no necessity then for making any application for postponement. Then here is the unfortunate thing that happened. The very same group on November 23 last received notices to report in Regina on November 25, with no opportunity at all to make application for postponement. I know of numerous cases of severe hardship as a result of that action.

I would say this, that the efficiency of the department will be judged by the equality with which they administer the regulations, and the record as far as Saskatchewan is concerned is one of which this department cannot be very proud. To call this a master plan is a piece of gross overexaggeration.

Mr. ROSS (Souris): I endeavoured to follow the minister's assistant this evening when he dwelt on persuasion rather than compulsion, but I was not able to follow him in view of what we have experienced in the last few years, because certainly we have had conscription for our home defence army—not persuasion at all. The Minister of National Defence and the Minister of National Defence for Air said that many of their best men had been young men who had first received their call. Therefore I cannot see how there was any persuasion in these preliminaries; it was conscription for the army.

When we had the national registration in 1940 of men and women, certainly no plan was evolved for the use of our man-power and no estimate was made of the requirements of the armed forces or of industry or of agriculture. No plan was brought into being befitting Canada, not even as much as was done by our good neighbours to the south the moment war was declared. Those people certainly attempted to set up a plan, and they went a little further than we have gone yet in this fourth year of the war. One cannot help thinking that the Prime Minister and his ministers are still not assuming the responsibilities of their office with respect to the man-power problem to-day. There are, I believe, some 70,000 recruits in this country to-day who have been drafted. There is a difference of opinion as to what should be done with them, whether they should be in other and more useful employment or whether they should be available for any theatre of war. I know that in this regard, on another item, the hon. member for Brantford City (Mr. Macdonald) recently suggested that they should be sent to Alaska in order that United States troops could be relieved to do the fighting of the united nations in active theatres of war. I am sure that no red-blooded Canadian would feel proud of that suggestion, and we should not countenance it.

As to the matter of conscientious objectors, the statement has been made that in a very recent period 500 have been sent into Manitoba. I believe it was represented to the minister and to the government that this approximate number were required for beet production alone in that province. I know also that officers of the minister's department are in a quandary as to which is the most essential place for these men, whether it would be in this beet industry, or in the production of cereals, dairy products and bacon on the other farms of that province. In checking the minister's statement, I notice that he says, as reported in *Hansard*, at page 3937, that the mobilization boards no longer direct the placement of these men; they simply grant postponements. What cooperation is there between these boards and the minister's selective officers? It seems to me that up to date there is a distinct overlapping there. The mobilization board, when a man is called, hears the man's request for postponement. I assume it takes notes and keeps a record of all that evidence. I should like to know whether that is turned over to the selective officer, or what becomes of it, and if it would not be more beneficial that these selective boards should direct where that man should go at that particular time.

The minister has said that young men are called if they are not essential to agriculture. My understanding is that every young man, when he comes of age under the call, whether he is a farmer or not, does receive his call.

Mr. MITCHELL: He receives medical examination.

Mr. ROSS (Souris): And does he not have to report to the board, if he is fit?

Mr. MITCHELL: He has to apply for postponement, of course.

Mr. ROSS (Souris): And if he does not ask for postponement he goes to the armed forces whether he is essential in agriculture or not?

Mr. MITCHELL: I do not know.

Mr. ROSS (Souris): Well, I think the minister should know, and I think he does know.

Mr. MITCHELL: Well, now, I do not know. Let us be perfectly honest. I am not going to mislead my hon. friend. Here are the three steps. The man gets his notice; he receives his medical examination; and if he applies, he obtains a postponement. He has to ask for it, and it is the natural thing to do if the man has a tongue in his head. If I did not want to go in the army, I suppose it is the course I would take, though I may say that if I were ten years younger I would not be standing here. But if the fellow did not want to go in the army, surely, when he went before that board he would ask for postponement. I mean, that is no secret in this country.

Mr. ROSS (Souris): The minister's statement is still very confusing. He has sitting before him his deputy minister and other assistants who, I am fairly sure, can answer this more definitely than the minister has attempted to do. This statement is rather misleading to the people of this country, because I know young men on the farms who are required on the farms but who are receiving their call and reporting to the board.

Mr. MITCHELL: I just said that.

Mr. ROSS (Souris): I understood the minister to say, if they were essential to agriculture, they do not do so. But this is the system which the government are working in order to get volunteers for the army. Certainly many young men who to-day are essential on the farms are not going to ask for postponement. As the minister has just hinted, he would not do it; neither would I do it if I received a call; in fact, I do not think either one of us would wait until we received a call. But if we did, certainly, with our pals over there we would not want to ask for postponement. And many of these young men to-day are not asking for postponement, despite the fact that they are urgently needed on the farm. I say that the government is not fulfilling its responsibility in that I know of young men who have been operating their own farms, and who are of that call age, who this spring did not operate their farms though they would have done so had they some definite assurance that they could carry on for a year. Under the present system all they can receive is a postponement for six months. That is a most indefinite arrangement for any man who has to plan to-day for the production of foodstuffs to operate on. If the Minister of Labour will not agree with me, certainly the Minister of Agriculture will.

Mr. GARDINER: I will not agree that they get six months' postponement.

Mr. ROSS (Souris): What do they get?

Mr. GARDINER: They get a postponement until further call if they are essential to agriculture.

Mr. ROSS (Souris): But they are not assured of anything over six months, are they?

Mr. GARDINER: Oh, yes, they are assured until further call, which may take them to the end of the war.

Mr. ROSS (Souris): They do not know when the next call will be.

Mr. GARDINER: Well, they do not get another call unless there is new information.

Mr. ROSS (Souris): That is a new arrangement, is it not?

Mr. MITCHELL: If I may put it in a sentence to my hon. friend, in agriculture they get indefinite postponement; in industry, the maximum is twelve months and the minimum six months. That is the whole thing, simply stated.

Mr. MacINNIS: I shall not go into the question of policy. Most of the complaints received from my province arise, I believe, on account of lack of experience of men in the selective service branch. Perhaps that is inevitable by reason of the number who have been engaged and the kind of work they have to do. I think it was the hon. member for New Westminster (Mr. Reid) who asked the minister early in the evening if he had practical men to review or pass on the ability of the men to do certain work. I believe that is a very proper thing to do. I do not think a doctor can judge, absolutely at least, whether a man can work in a logging camp or in a mine or at any other employment where hard physical labour is required. I have before me

in concrete form cases which a certain firm employing help in Vancouver took up with the national selective service after the second compulsory transfer order. I have the names, the numbers, and all other particulars, but I will not give the names. In case A, as I will call it, the party has been known to the writer of the letter and to his company for quite a few years. He has suffered from extreme eye trouble since his early childhood. He has been under treatment for a considerable time and is still under treatment from Doctor Graham Elliott of that city, who has started him on a series of artificial fever treatments through another medical practitioner, which treatments cost $36 and necessitates his going into hospital. The writer goes on to state:

> At the present time this man is practically blind in one eye and has very limited vision in the other. He has done no reading for over six months and does no writing. Until March last year he had been unable to take employment. At that time, when he had sufficient vision to get around, we found a job for him in our hardware storeroom where he has served a useful purpose ever since. We of course allow him time off for his treatments, when his doctor recommends them.

Here is the disposition the selective service made. The officials of the selective service board slated him for a lumber or mining camp. The man explained his regrettable inability to consider either. The officials then wanted him to go to the shipyards where they would find him a nice easy job in the shade counting rivets. The man explained about his eyes and the fact that he was still taking treatment.

Then we come to another case, that of a furniture salesman, who had his rejection slip dated October 15, 1942, category E, permanently unfit. He has never done any labouring in his life. He has never been in the woods or in a lumber camp. The official is sending him to a lumber camp and has told him cheerfully that if he does not sign to go voluntarily they will drag him.

Anyone who knows anything about lumbering in British Columbia knows it is work for young able-bodied men. Before the war, only young men were accepted there. It is an extremely hazardous occupation, much more so than lumbering in eastern Canada, and to suggest that a man should go to the lumber camps in British Columbia without having had any lumbering experience, and being too old and in poor physical condition, is simply to make him a menace both to himself and to those who would be working with him.

The next case—the name and number are given in each case—is that of a man who applied to the air force and the navy prior to getting his army refusal. He was refused entrance into the armed forces on account of a heart condition. He visited the selective service board a second time and was told by the official who interviewed him that the medical board had decided that he should accept work in a logging camp. The man refused to accept the ruling, and he was told again that he either had to accept it or they would compel him to do so.

I suggest that in such cases there should be a committee of loggers. They may not be qualified from the medical point of view, but I am sure they would know whether a man was able to work in a logging camp or not, because they would have to work with him. In cases of this kind, where a man is slated for some industry, such as logging, or any other activity of that kind, a practical committee of people who know what the industry is like should be asked to say what they think of the possibilities of the man being fit for that kind of work.

Mr. MITCHELL: Those two gentlemen had the right to appeal to the court of referees against the decision of the selective service officer. I know the gentlemen comprising labour representatives on the board in Vancouver: G. Price, Canadian Congress of Labour; E. Morton, Canadian Congress of Labour; B. Showler, Trades and Labour Congress; R. H. Neelands, Trades and Labour Congress; R. Gervin, Trades and Labour Congress, and E. Smith, Trades and Labour Congress. The men to whom the hon. member has referred could have appealed to them.

Mr. ROSS (Souris): The minister did not answer the question in regard to the liaison between the mobilization board and the selective service office. I said there was duplication there, and I should like to know how the two offices operate.

Mr. MITCHELL: Representatives of the selective service attend the meetings of the mobilization board.

Mr. ROSS (Souris): They sit in on every meeting?

Mr. MITCHELL: Yes. We felt that the selective service covered all the ramifications of industry and agriculture, and we thought that if we took that from the mobilization board it would be better. All they do is to adjudicate the man as a conscientious objector and he is turned over to the selective service, who direct him.

Mr. ROSS (Souris): The selective service officer has all the evidence of that kind.

Mr. ROSS (St. Paul's): On page 3954, of *Hansard,* giving the tables which the minister submitted, there appears to me to be a point that is not answered. The number of men called is given as 988,475. They were called for medical examination. Some did not turn up, but the number examined was 608,642. Then we find that 233,224 requested postponements; 190,550 postponed and the number in effect, 100,973. That means that the number granted and the number in effect total 291,523. Are all these postponements?

Mr. MITCHELL: Yes.

Mr. ROSS (St. Paul's): So that out of the 608,642 examined we have 289,544 called for military service, and out of that number only 160,662 turned up. That leaves about 129,000 to be accounted for. In the statement the minister says:

> Voluntary enlistments, as well as postponements, account for most of the difference of 129,000 between the numbers called for military training and those reporting.

I do not know where postponements enter into this. What happened to the 129,000? That is what I should like to know.

Mr. MITCHELL: They are in the army or in the navy or air force.

Mr. ROSS (St. Paul's): Are there 129,000 who enlisted voluntarily?

Mr. MITCHELL: Five hundred and fifty thousand.

Mr. ROSS (St. Paul's): That is a most extraordinary thing.

Mr. MITCHELL: It may be extraordinary, but they are in the army.

Mr. ROSS (St. Pauls'): The number called was 988,000 odd, and the number examined 608,000, and out of the 608,000 that turned up you have 129,000 that you cannot account for. We do not know where they are.

Mr. GARDINER: They did not have to turn up if they went into the army.

Mr. ROSS (St. Paul's): I should like to ask the Minister of Agriculture how he knows they went into the army, and if he can tell me just why they went into the army.

Mr. GARDINER: Because I was the minister in charge of the registration the hon. gentleman is talking about, at the time it was made. There were 54,000 men who were enlisted at that time, which number added to the 988,000, makes the total registered who were of military age. Since that time men have been called, and they have enlisted in the army and did not have to report to this board.

Mr. ROSS (St. Paul's): But they did report to be examined.

Mr. GARDINER: Not the number over the 608,000.

Mr. ROSS (St. Paul's): They are part of the 608,000 who did report to be examined; and out of the 608,000 we have only accounted for the number I mentioned. I think that this is a farce of a statement, which does not give us anything at all. It is just a lot of figures that no one knows anything about, not even the government. They are trying to make excuses for the whole thing, but here you have 988,000 who were called, and you have 608,000 who responded, which leaves 380,000 about whom we know nothing. We know that some of those are in the army, that no doubt some of them have died and so on, but there were 608,000 examined during that time. What has happened to them? Then we have these 289,000 who were called, who had notices sent out to them. Nothing has been said during the debate, so far as I know, about any of the notices going astray in regard to these 289,000 men. They were examined and they were called; notices went out to them, but we never heard from 129,000 of them, and we do not know anything about them. No one knows anything about them, not even the government. The minister tries to make excuses for this state of affairs and goes away back to 1940, when he was in charge of the registration. I think he did a pretty good job at that time; I know I helped him all I could, as we all did. Perhaps I was one of the first members of this house to call for a national registration; that was away back in 1940. Do hon. members remember the registration cards we had to fill out, with all the questions on it; asking city people if they could milk cows, and all that sort of thing? By the way, I should like to ask the minister if he was responsible for drawing up that card and asking all those questions to find out if people in the cities could milk cows, and so on.

An hon. MEMBER: Order.

Mr. ROSS (St. Paul's): Did someone speak? The whole thing is just like that; some ghost here behind me said something; I do not know what it was, and that is the whole situation as far as I can see it. The point is that the government never wanted to get down to compulsory national selective service anyway. They made up their minds they were going to do this whole thing by evolution; they were going to go away back to the old monkeys and see if they could not get some of the monkeys to become men. Thank heaven we had a tremendous number of men who wanted to

volunteer and who did so. The answer to the whole question is that the government are not interested in where these 128,000 men may be; they are missing, but no matter. You can take this whole table and it is not worth the powder to blow it up; it is the same, as a matter of fact, as the government's national selective policy.

As I was listening to the hon. member for Essex East, who is the parliamentary assistant to the minister, I thought of the words I used on Friday night in describing the policy of the government. First, I said it was vaporous. Well, it was vaporous when the hon. member spoke to-night; there is no question about that. The next word I used—perhaps I did not go far enough—was that it was vacuous. Well, you know the dictionary meaning of "vacuous"; I believe it means empty, without anything in it, and that was what I thought of as I listened to the minister's parliamentary assistant. I do not think he is quite that bad, but there you are. It will be remembered that the hon. member for Vancouver Centre criticized me the other night for not saying enough, but the third word I used in describing the policy of the government was that it was vacillating. Well, did he vacillate to-night. That is exactly what he did; and then when he got through with his speech he said, "We won't use compulsion. We never have, and we do not want to have compulsion in this thing at all. We are going to continue on a voluntary basis." Then, when I asked him a question, as to whether they did not have compulsion, he replied, "yes, but only in two cases." Well, those two cases are for home defence, and for everyone between the ages of sixteen and sixty-five. There you are; that is the whole thing. Here is your list, and it is not worth anything; the figures on it do not mean a thing.

Mr. GARDINER: You are making quite a speech on it.

Mr. ROSS (St. Paul's): I cannot hear the hon. gentleman. I rather like him; he is a pretty good minister of agriculture, but he is a better politician. He has the province of Saskatchewan right in the palm of his hand, or he thinks he has. Wait until the next election comes along; perhaps he will find that it is not in the palm of his hand as he thought. He is clever, however, and I like to hear him speak in this house. I believe he is a smarter man than we give him credit for being, and I am sure he will say these things are as I have described them, that these figures in this table are worthless and do not mean a thing. I will ask him the question: does he not admit that?

Mr. Douglas G. Ross.]

Mr. GARDINER: No, no.

Mr. ROSS (St. Paul's): The minister does admit it; I can see him nodding his head. Well, Mr. Chairman, I have many other things I wanted to speak about but I am afraid I was side-tracked.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Tuesday, June 29, 1943

The house met at three o'clock.

EMPIRE PARLIAMENTARY ASSOCIATION

OTTAWA MEETINGS—DELEGATION FROM UNITED STATES CONGRESS

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, it would, I think, be in keeping with the wishes of hon. members were I to make a brief reference to the conference concluded to-day by the Empire Parliamentary Association. The meetings were attended by delegations from the parliaments of the United Kingdom, Australia and New Zealand and from the legislative assembly of Bermuda, as well as by many hon. members of our own parliament. The proceedings throughout were of a high order and demonstrated the value of the free expression and interchange of ideas among the nations of the commonwealth which the conference had been formed to promote.

The conference will be particularly memorable because of the attendance, yesterday and to-day, of a distinguished delegation of visitors from the two houses of the congress of the United States. The delegation, comprising senators and members of the house of representatives, was appointed by a concurrent resolution of the congress of the United States of America, accepting the invitation of the Canadian branch of the empire parliamentary association. The resolution itself will, in time, become an historic document. It is a signal honour, paid to Canada and to the empire parliamentary association, by the congress of the United States. The resolution is also of historic significance, as adding another bond to those which already join the nations of the British commonwealth of nations and the United States in the common defence of free institutions.

The house will, I am confident, wish to record its appreciation of the visit, at a time of war, of our distinguished fellow parliamentarians from other nations of the commonwealth, and its satisfaction that Canada should have been the place of the meeting for the first time of a delegation from the United States congress with the empire parliamentary association. In this meeting we can see the development of the understanding, friendship and good-will on which even now is being laid the enduring foundations of a new world order.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, I am glad at this point to associate myself and the members of the party which I have the honour to lead with the sentiments which have been voiced so eloquently by the Prime Minister. The meetings of the Empire Parliamentary Association which concluded to-day have been memorable in character. They have served a most useful purpose and in future will be looked upon as having been of great value, not only in relation to the problems which may arise during the war period through which we are passing, but also in relation to the tangled problems which the nations and governments of the British empire, the United States and others will have to solve in the post-war period.

In my opinion the meeting of representatives of the people rather than the heads of government is an occasion of which we should take cognizance. If permanent peace is to come, the common man of each nation must learn to respect and to understand the common man of all the other nations. These meetings have brought forth a new feeling and have generated a new spirit which will be of great value in the days that lie ahead. I wish to echo the words of welcome extended by the Prime Minister to the delegates from the various parts of the British commonwealth and also from the United States. We view with a great deal of interest the renewal of the acquaintanceship, friendship and brotherhood among those who met together.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, on behalf of our party I should like to add an expression of appreciation that this conference has been held in Canada. To those of us who visited Great Britain some eighteen months ago it was indeed a pleasure to welcome such a delegation to Canada. There is not much that one can say, except that conferences of this kind, participated in by what we might term the rank and file of our legislative bodies, including on this occasion representatives of the congress of the United States, can bring nothing but good to the united nations and to the world. I hope that it will be the first of many such conferences.

Mr. J. H. BLACKMORE (Lethbridge): Mr. Speaker, the members of my party rejoice along with other Canadians in the fact that we have laid the foundation for the development of good-will between the two great branches of the Anglo-Saxon race. The conferences which have just been held were epoch-making in their significance. I do not believe I have ever attended meetings at which such frankness, candor and good-will were displayed. I am grateful indeed to those who arranged the conference and to those who have taken part in the meetings.

PRIVILEGE—MR. CHURCH

REFERENCE TO ARTICLE IN MONTREAL "GAZETTE" OF TUESDAY, JUNE 29

On the orders of the day:

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I regret having to rise to a question of privilege. I wish to call the attention of the house to what purports to be a reprint in this morning's Montreal *Gazette* of an item from *l'Evenement* of June 9, but I can find no such article in *l'Evenement*. It refers to me as "one of the survivors of the Conservative opposition of 1908 which accused Laurier of building a tin-pot navy." I was not a member of the house in 1908 or for fourteen years afterwards, and I never attacked Laurier on the navy or used any such words as "tin-pot navy". It goes on to say:

> "It remained to Mr. Church to deny also the utility of the Canadian army and air force," *l'Evenement Journal* said.

I never did. That is ridiculous. It says further:

> It is not a bad thing, perhaps, that a representative of the Tory party in the House of Commons should demonstrate, by his extravagant words, that there is more than one blunderhead in parliament—that the province of Ontario can count one.

I was no blunderhead when I predicted that in this war the enemy might sail up the St. Lawrence and bomb the citadel, and advocated before the war that we should rearm on land and sea and in the air.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Monday, June 28, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Donnelly in the chair.

DEPARTMENT OF LABOUR

National selective service programme, $8,680,225.

Mr. POULIOT: Mr. Chairman, in my humble view this is the most important matter that has been brought before us this session, because by virtue of chapter 13 of 4 George VI the Minister of Labour has authority over everybody in this country who is not in the army. This is the law:

> Subject to the provisions of section three hereof, the governor in council may do and authorize such acts and things, and make from time to time such orders and regulations, requiring persons to place themselves, their services and their property at the disposal of His Majesty in the right of Canada, as may be deemed necessary or expedient for securing the public safety, the defence of Canada, the maintenance of public order, or the efficient prosecution of the war, or for maintaining supplies or services essential to the life of the community.

This is selective service as it has existed since the midsummer of 1940. In 1942 orders in council were passed specifying the powers granted to the minister and to the head of national selective service. The matter was understood by Mr. Little in a clear and very simple way. I have here a publication that was sent to all of us, *Canadian Business*, of June of last year, which sets forth the conception which Mr. Little had of his work and of national selective service, as follows:

> The ideal behind national selective service is the fitting of every Canadian into the place where he can serve most effectively. Just coming into force, the new regulations provide for the gradual carrying out of this plan. Management's wholehearted cooperation is essential for its success, particularly in the field of personnel relations.

After March of 1942 we had the plebiscite, the effect of which was described in a contradictory way by the correspondent of a big daily, the New York *Times*. The same issue of the paper, November 1, 1942, had two articles on the plebiscite, one of which was entitled, "Canada is stirred by plebiscite," and the other "Plebiscite debate unifies Canadians". That shows there was a divergence of views about the matter. I shall not go into the whole chain of procedure which has been summarized by the member for Temiscouata in an article published in *Le Saint-Laurent* of February 4 this year, because that has been sent to all members, especially the members of the government.

The other day, I think it was on Friday, I asked the Minister of Labour for some information about Mr. Alexander Gunn, who was called here from England to make suggestions about essential and non-essential industries. I regret very much that the minister has not yet supplied the committee with that information.

It was said in the Montreal *Gazette* of April 26 of this year, "Mitchell gets wider control of man-power." He could not get wider control than he has now. The only thing that could make a change would be the exercise of the powers that he now has.

I have here a letter dated November 16, 1942, from an official of national selective service, in which he states:

> We conform ourselves to the requisitions made by the Department of National Defence according to their training plans, and our registrars act accordingly.

Which, I find, is all wrong, as I have stated before, because all the youth of this country should be under the control of the Minister of Labour, and the Minister of Labour should not be for any consideration the subaltern of the Minister of National Defence.

For a time matters were so bad that, according to a news item which appeared in one of the Ottawa papers on January 16, 1943, the Prime Minister wrote the Minister of Labour asking him, what about man-power?

> "What about man-power?" Mr. King asks Mr. Mitchell.
>
> Said requesting detailed answers to 19 "pertinent" questions.

"Among the things to which Mr. King is said to seek answers are:

> "What has been done to stabilize employment in agriculture?
>
> "What is the true situation regarding labour supply?
>
> "What has been done to give effect to the mobilization regulations of December 1?
>
> "What has been done to ensure the uniform application of these regulations throughout the nation? . . ."

The dispatch says it is learned that Mr. Mitchell has set up a special six-man committee of selective service and labour department officials to prepare the replies to the questions. The committee is described as made up of: C. F. Needham, recently appointed associate director, civilian, of selective service, chairman; Brig. Riley, associate director, military; Dr. Walter Couper, special assistant to the deputy minister; Allan Mitchell, director of unemployment offices; Harry Hereford, formerly chief of man-power records and now special assistant to the deputy, "and one other."

Quoting from the *Globe and Mail:*

The theme of the 19 questions is said to be: "What has been done to give effect to my man-power speeches of March 23 and August 19?" On March 23 last Mr. King announced the establishment of national selective service . . . and defined its policy. On August 19 in a nation-wide broadcast he told of the extension of that policy in order to put every competent man and woman to work in essential industry.

There is a great difference between the United States regulations and ours. American regulations specify what positions are essential; ours mention what positions are non-essential. That makes all the difference in the world. In the first place, what we should know is what positions are essential, and I regret very much to have to admit that in this connection the United States list is much more practical than that of this country.

Now with regard to the farming question. Here I have news items which appeared in the papers on January 28 of this year, in which are stated two things which may surprise us very much. In the first place, Lord Woolton said he was absolutely satisfied with the food situation, while we in Canada are expressing fears that there will be famine during next winter. Something was said about the legacy which the Minister of Labour inherited. I think it is a proper word to describe what happened. We must go back to the first draft of the regulations concerning conscripts. The first draft was passed in 1940 of the order in council which was adopted afterwards, and then some justification was sought in the report which was made by five men who had to decide about essential industry. They were: the deputy minister of agriculture, a gentleman from the Department of Fisheries, another man from the Department of Mines and Resources, another official from the Department of Transport, and the timber controller. They made a report which was sent to the deputy minister of labour, and by him to the Department of National War Services, and by that department to all registrars. Here is what is said about agriculture. It is considered in that report a primary industry for the south half of Quebec from May to August, and for the north half from June to September. It is a secondary industry regarding animal and vegetable products, butter and cheese, from May to October; other dairy products, June to August; fruit and vegetable preparations, July to September; tobacco processing and packing, January to March; leather goods and mitts, July and August; aerated and mineral waters, from June to August. What farmer in the province of Quebec is interested in making aerated and mineral waters? But what is essential to note is precisely that agriculture was not considered a primary industry for more than one-half of the year, when everybody knows that farmers are working from dawn to dusk a great deal of the year. That was all wrong.

The Minister of Agriculture was Minister of National War Services from July 12, 1940 to June 11, 1941. In *Hansard* of November 13, 1941, the Minister of National Defence for Air, who was taking the place of the Minister of National Defence on that occasion, mentioned that the thirty days' training had been decided and ordered by P.C. 4904 of September 17, 1940. May I point out to you, sir, that Lieutenant-General Crerar, who is commanding a division in Great Britain at the present time, has a fine military record, and he stated at the time that one month was enough for the training of those young men—

Mr. HANSON (York-Sunbury): He never said anything of the sort.

Mr. POULIOT: —which raised a storm, in which my hon. friend from York-Sunbury took part—

Mr. HANSON (York-Sunbury): The chief of the general staff never said anything of the sort. He said that one month was all that they could put into effect for the time being; and he stated the reason why—that the youth of Canada had to be taught a sense of national obligation.

Mr. POULIOT: Words speak for themselves, and if the hon. member for York-Sunbury has a power of attorney from Lieutenant-General Crerar it should be delivered to the Chair.

Well, sir, the extension of the four months was by P.C. 1910 of March 18, 1941, when the Minister of Agriculture was still Minister of National War Services, and clause 8 (f) regarding the thirty-day period was amended as follows:

Upon so becoming a member of the active militia each "R recruit" shall forthwith undergo training for a period of four months, or for such other period as the minister of defence may from time to time prescribe, unless in the meantime he is required for service or duty.

On July 2, 1941, the Minister of National Defence, by a stroke of the pen, extended the training for the duration. There were many young men who recognized their obligation to go to camp for training, but they were told by everyone that training was only for one month, and afterwards they found that it had been extended to cover four months. Well, they said that they would take the training during the dead season, but after having understood that their training would last one month, and then four months, and having made arrangements accordingly, they

were detained in the camp by means of an order, not an order in council but an order, signed by the Minister of National Defence in virtue of an order in council that was passed when the Minister of Agriculture was also Minister of National War Services. The farmers had no protection from the Department of Agriculture in their endeavour to remain on the farm.

In the first place, in consequence of that famous report that I have already read, in which agriculture was described as not being an essential industry throughout the entire year, and also because of the fact that they have had to remain for training, these men have not received the protection which they could have expected. Let me tell the Minister of Labour of the troubles we have had in the province of Quebec from the time we began to fight for the farmers. I have here a letter from the then chairman. I will send him the original, which I would ask him to return to me later. I quote:

> But you must understand that we cannot postpone their service indefinitely.
> Seulement il faut que tu comprennes que l'on ne peut pas remettre leurs services indéfiniment.

That is why we have to fight so hard. The fact is that these people did not understand either the letter or the spirit of the regulations and we have had to put up a struggle for the farmers. For everyone will realize the loss that must result when the farmers are taken away from their farms. It is disastrous.

Next I called the attention of the predecessor of the present Minister of National War Services, Judge Thorson, who entirely agreed with me, to the fact that the farmers had the same rights as others and were entitled to postponement. The staff had to be changed because there was no possibility of getting any understanding. Now, when we hear some people saying that the farmers are exempted from service, it is untrue because there are a good many young men whose place is not in the army but on the farm. They went to the army in good faith but they were kept there by men who are not expert in agriculture, as the minister admitted, to the great surprise of the hon. member for Bellechasse. It is those people, who have no experience in agriculture, that decide upon the necessity or otherwise of men remaining on the farms or going into the army. That cannot work.

There are many farms that cannot do as well now as they did before, and that is exactly the reason. But, I may say, I wrote certain articles in our local newspaper and sent a copy of each article to the ministers at the time. Some of these articles were translated; they had an opportunity to translate them at any rate. These articles explained the situation in the province of Quebec. I have high regard for the minister personally, but I believe that he was wrong in some of his utterances. Unfortunately, I have only the French version of the speech which he made on September 12, 1941. At that time he was not Minister of National War Services, but here is a translation of what he said:

> If we have to raise a million men for our armed forces we will have seven million other men in Canada, aged over 16. These seven million were organized and determined to help the armed forces, by directing our farms, our dairy industry and our business offices in a way which will give the required production.

Mr. GARDINER: Not 7,000,000 men.

Mr. POULIOT: I will send this to the Minister of Agriculture.

Mr. GARDINER: It has been translated twice, apparently into French and back into English. That is incorrect.

Mr. POULIOT: I am glad the minister corrects it. I send him the paper I received from the information bureau.

Mr. GARDINER: My hon. friend knows that there were not 7,000,000 men in Canada aged 16 and up.

Mr. POULIOT: I know that very well, but at the time the information was given by the Department of National War Services. I do not know who is responsible for that translation.

Mr. GARDINER: I am not responsible for the translation, because I regret to say I do not speak the language.

Mr. POULIOT: I take it for granted that the minister did not make that statement because it cannot be correct, but it will show him what is stated in French sometimes in the translations of speeches given by a minister. But if the minister did not say 7,000,000 men, and I am sure he did not say that, he did say that we could have a million men for the army. Now to give a million men to the army we must take men from the farms, men who are indispensable there. In the province of Quebec, I may say, we have not been as well treated as they have been in the provinces of the west, and here I have a copy of a letter from the Curé Bonne Madone of Saskatchewan, from which I quote:

> (Translation) My parish is cosmopolitan; I have parishioners of six different nationalities, and all the farmers' sons of my parish and of all other localities in Saskatchewan, as well as day-labourers who know the least little bit about agri-

culture have without exception been exempted, and no difficulties were made. Why do the French Canadians of the province of Quebec encounter so much trouble in trying to obtain justice? Farmers are asked to produce and even over-produce for the war effort, and in this area they are deprived of necessary and competent help.

He states that it is much easier to have postponements in Saskatchewan than in the province of Quebec where he is at present for a short time.

Coming now to the regulations, they were perfectly in accordance with the famous report I have quoted, in which agriculture was at first described not as an essential industry but as a seasonal industry, that is, seasonal during four seasons, although it was not stated in that way. It was regarded as a seasonal occupation for the summer months, as has been indicated officially by the deputy minister of national war services, who is now minister of that department. He sent that document to every registrar informing him that agriculture was a primary industry only during a part of the year. I had to fight as many people and I was supported by the present Prime Minister and by the late Mr. Lapointe. They understood perfectly well that agriculture was an essential industry, and finally the description was changed, but changed in such a way as to dumbfound people. Agriculture was described as a seasonal and essential occupation, meaning thereby that agriculture was essential during a certain season. And now to corroborate what I have said, we see farmers coming from Saskatchewan to help the farmers in Quebec. I say it is better to have in Quebec farmers from Quebec, than to have conchies and Japs. But we find there are farmers in Saskatchewan who have spare time, and a shortage of farmers in Quebec because the army would not let out those men who are indispensable on the farms.

Mr. HOMUTH: No, no.

Mr. POULIOT: My hon. friend does not know what is going on. I may quote him a case, among many others.

Mr. HOMUTH: We have an example from the hon. member.

Mr. POULIOT: I know of a farmer fifty-one years of age who needs help. His son, over twenty years of age, is in the army. He has three boys whose ages are fourteen, eleven and nine, and two girls of eighteen and seventeen, who are evidently unfit to run the farm. Of course they could milk the cows, possibly, but I do not see how they could do hard work, nor do I understand how a boy of fourteen years could do that work. This is a large farm, and the answer I received from the Department of National Defence was a great surprise to me. When I have an opportunity to talk the matter over with the hon. member for Waterloo South I will let him see the file in order that he may understand. I shall give him the evidence, as I have been giving it for a month to the parliamentary secretary of the Minister of National Defence. He understands the situation, and I am sure that he understands that I was justified in complaining about several cases.

Now, why do we have trouble? We have trouble in the first place because the mobilization act was passed only in 1940. It should have been passed at the first session in 1939. When we are at war we must act accordingly. In total war each man must be at his place, and each man must obey the law. But there are exceptions. Yes, there are many exceptions. What about those whose ordinary place of residence is not Canada? Why make a distinction in respect of immigrants who came to this country, who should be called for the medical test and for training, just the same as any other citizens of the country?

I understand that for a long time the government had trouble with the boys who belonged to other races or other countries. I refer to countries now under the control of Germany, and the governments of which are in England. In this class would be Belgians and others. They have refused to do their training. I do not know how it is working out now, but I do know that some of the nationals, whose governments are in England, were refusing to do their training and were retaining their places on the farms. Yet Canadians have to leave their places on those farms to give a better chance to these people. I do not know how it is working out now.

We should have a census of all those who have come to Canada through Canadian ports since the beginning of the war. We should have a census of all those who have passed customs offices at border points, and we should have a record of those who have landed in the United States of America en route to Canada. Those people should be called upon to do as much as Canadians. That is only fair; I cannot see why a man from any other friendly country must not do the same as the Canadian who happens to be born in this country and who has lived here all his life. What is the idea of treating with white gloves those fellows who have come here for shelter during the war? There should be a careful investigation of all people in that group.

In the second place, if it was the intention that the plebiscite should relieve the government of all pledges made to the people of Canada, I do not see why the Doukhobors, Mennonites and conscientious objectors should be treated differently from good Canadians who have lived here all their lives, and who

do not take advantage of the law by saying that they are conscientious objectors. Why do the Doukhobors receive special consideration? I ask that very serious question of the minister, and I hope he will answer it. If the government was to be relieved of all pledges, without exception, then did not such relief include pledges given to Doukhobors, conscientious objectors and Mennonites? How is it that those people have rights different from those held by people who have lived all their lives in this country, and who will be buried here? I cannot understand it.

I have before me a return tabled at the request of the hon. member for Lake Centre, and it shows correspondence with regard to Doukhobors. It is far from edifying. I do not see why these men receive special privileges. I now send to the minister two anonymous letters I have received from the city of Quebec containing complaints with respect to members of the staff in the registry office. He may have these letters translated, and take the action he sees fit. I have my own way of carrying out inquiries, and probing and making investigations.

I have in mind the case of three young men who were supposed not to have answered the call from the registrar to attend training camps. I pleaded their case. It was one of the few cases I have argued in many years. The first witness I called was Henri L. Gagnon, acting registrar. Under oath I obtained the truth from him. His statement was stupendous. He admitted 15,000 letters—I knew there were more—had been put in a file, without being classified. One man had been called a deserter because the sworn medical certificate stating he was not fit to attend for training had been sent by registered letter, and was left in the dump. He was called a deserter. Gagnon admitted there was something wrong in the office.

I think the Minister of Labour should be boss of national selective service. National selective service should be operated by officers of that branch, not by officers who were formerly in the Department of National War Services. That practice has been discontinued. The Department of National War Services has nothing to do with calling men to training camps. That must be done by the Minister of Labour, through the organization charged with that responsibility.

I remember when the present Minister of National War Services went to Quebec city some time before the change was made—and the change was long postponed. He said he would see to it that none of the staff of the registrar would lose his or her job. That was because they did not want any stenographer, typist, clerk or messenger from the office of the former registrar to lose his or her job. The law of the country is not applied by an organization which has always been under the Minister of Labour. It is still administered by the old national war services board, now called the mobilization board, which has done so much harm to agriculture in our district. This cannot be denied, because changes have been made. I will say to the minister that I appreciate the cooperation of some of his officials whom I know and with whom I have dealt in regard to certain cases. They are very modest; they do not want to be praised in public, but I know that he has very able men under him, especially among the bilingual staff whom I know better than the other members of the staff. They are men who understand common sense. But I want the minister to make a clean-up of what is wrong in his department; I want his department run smoothly according to the directions given by the minister and, more than that, in accordance with the law itself. I have here from the proper authorities information with regard to the staff of the registrar's office in Quebec city. I admit that the registrar is not a bad fellow; I am sure Judge Fortier means very well, but I cannot say the same for the other two commissioners.

Let me conclude by saying how difficult it is to obtain information in regard to certain people, but how easy it is to make men feel great when they want an increase in salary of $400 a year. I have here the case of one man who for some time acted as registrar at Quebec. On May 9, 1942, Major Benoit, who was then director of mobilization, wrote of this man in these words:

> He is the eyes and ears of head office throughout Canada. On his recommendations may depend important changes of policy or procedure. . . . For these reasons, subject to consideration by the comptroller of the treasury, it is suggested that the duties of Mr. —— warrant his reclassification to the rate of remuneration of $4,000 per annum.

A man like that, who is the eyes and ears of the head office throughout Canada, should be worth at least $100,000, but what I find strange is that it should be done in this way, making a superman out of an ordinary fellow. If he were merely the eyes and ears of the head office throughout Canada, that would be a bad thing. Then the deputy minister, who is now the minister of the department, wrote this in the margin:

> If anything Major Benoit has erred by understating the good work Mr. —— has done for us and underestimating the responsibilities which he is carrying.

Well, sir, I suppose these men make no mistakes.

Mr. HANSON (York-Sunbury): I do not rise for the purpose of making another speech on this item, Mr. Chairman, but primarily to correct an impression which my hon. friend the parliamentary secretary to the minister left with the committee last evening, I believe inadvertently. He did me the honour to follow me at that time, and it was through no intentional discourtesy that I did not stay in the chamber and listen to him. I must confess that the atmosphere here was so humid and so tepid that I could not remain in the chamber any longer. I have since read the remarks of the hon. gentleman, and I desire at once to correct an impression which he appears to have in his mind that through all these years since Dunkirk I have had one rigid idea, which was that the man-power policy of Canada should be directed only toward the reinforcement position of our army overseas.

It is perhaps fair to say that in the remarks I made last evening I did direct attention to that particular phase of the situation, and that on more than one occasion I have laid emphasis on the necessity of having ample reinforcements for our fighting men. But it is not a correct inference for anyone to draw, least of all one so intelligent as the parliamentary secretary to the Minister of Labour, that I am not concerned with other aspects of this man-power question. May I remind you Mr. Chairman, and the members of this house, that during the time I had the honour to lead this party we laid down the principle of selectivity as the underlying theme for dealing with the man-power situation in Canada. I had the honour to embody that principle in an amendment which I moved on one occasion to the address in reply, or at some other time; I have not checked it up. I think that is a fair statement for me to make here; but I have always recognized that a nation at war, like Canada, endeavouring to play a man's part, with an active army on service overseas in a theatre of war, should keep that army as the primary consideration with respect to our man-power policy, and we should never lose sight of that. We have lost sight of it in a degree, because of the fact that our army has not been in action; but it is not correct to say that this party or any members of it have ignored the other features of the man-power problem. We have accentuated the position with respect to the farmer; we have tried to emphasize the position with respect to the industrialist, and there have been occasions when we have taken exception to the regulations that have been adopted because we thought they were endeavouring to do in an indirect way what should be done manfully and in a direct way, toward getting men into the army.

The specific instance to which the hon. gentleman referred, the case of a young man eighteen years of age, whose father was ill and who was the only man left on the farm, I find was referable to a regulation under which no one could employ that young man. Behind that regulation was the theory that because this country would not adopt a manly system of getting men into the army, they adopted an indirect method of driving young men into the army by refusing to permit them to obtain employment when they reached a certain age limit. On that occasion I was objecting to that position, and I think rightly so. We have never been unmindful, as I think the hon. gentleman would lead the house to believe, of the fact that there were other aspects of this man-power question; but primarily, as I observed before, the duty of this nation—no matter what the demands of agriculture or the demands of industry may have been or are to-day—is to see that the army which has volunteered for service overseas, to fight and it may be to die, shall have first call on the man-power pool. That is the position we take, but we do not close our eyes to the fact that there are other avenues for the employment of man-power to sustain that army overseas. In that way we have urged upon the people of Canada and upon this House of Commons to adopt as an underlying principle for our man-power policy the principle of selectivity. We have never had it, I am bound to say, until quite recently. Under the present set-up an effort has been made—I want to be fair about this—to improvise ways and means by which this underlying principle may be integrated into the national effort.

Mr. HOMUTH: Not very successful.

Mr. HANSON (York-Sunbury): That is my opinion. However, I did not rise to castigate the minister or anybody else; I rose merely to make clear the position which I have always maintained. The immediate objective should be to adopt that principle of selectivity and to integrate the whole man-power of this country in such a way as to place a man in the job he is best capable of doing.

We heard something to-day about the farmer, and I should like to say something about that. Food is important. As we all know, the farmers have done a magnificent job under adverse circumstances. It is a matter of great regret to every one of us that agriculture may be placed in a difficult

position, not only because of a lack of manpower but because of the weather conditions that now prevail. I am somewhat apprehensive about the quantity of food we may be able to produce this year. I know our farmers and our farmers' wives—many of them are doing it—will do as good a job as it is possible to do. I think the mistake that was made at the beginning was that the recruiting branch of the Department of National Defence endeavoured to get volunteers where the picking was the easiest. I am bound to say that in my community the young men on the farm offered a favourable field. One reason was that as a rule, in my part of the country at all events, farmers' sons receive an inadequate pecuniary compensation for their services on the home farm. Many of these lads were glad to go, but the majority of them went for patriotic reasons. The number of men on the farms, in New Brunswick particularly, was rapidly depleted.

Then you have the situation, which I have seen, in which one farm is denuded of the young men and nobody leaves from another farm. Perhaps it is not proper to refer to specific cases, but often they illustrate the general rule. I have in mind two farmers living side by side, each with four sons. On one farm the four sons enlisted voluntarily, and not one went from the other farm. This type of situation causes discussion in the community, which discussion penetrates to me or to somebody else and is held up as an example of inequality of sacrifice, and it is. When the mobilization regulations are put into effect the man whose four sons have gone into the army will not be able to get them back, except perhaps on seeding leave if they happen to be on this side. If a liberal interpretation is given to the regulations the man with the four sons still left may be able to get every one of them off.

Mr. ROSS (Souris): That has happened in some cases.

Mr. HANSON (York-Sunbury): I have had this very case up with the mobilization board in my own province. The man with the four sons still left does not need them all on his farm.

Mr. MITCHELL: I should like my hon. friend to give me privately the name of that farmer.

Mr. HANSON (York-Sunbury): I shall have to look up my file; I cannot remember the name. It did not happen, because the mobilization board took the view that one son was sufficient to work the farm and the other young men had to go. I am calling this matter to the attention of the minister and of his deputy who is sitting in front of him. There should be some flexibility in administering these regulations, as there should be in connection with anything that deals with any form of human activity. You cannot be too rigid about this sort of thing. You must not lay down a law that all farmers' sons are to be relieved. Each case must be decided upon the circumstances. The man whose four sons had not enlisted should have no right to go to the authorities and say that he wants them on his farm. I do not believe that was the intention.

I should like the minister to give us a break-down of the figures which were put on *Hansard* so unexpectedly last night by himself and later by his parliamentary assistant. The first figure of 1,043,163 covers the men in designated classes as at 1940 registration total, while the second figure of 988,475, which I used last night, I understand is the difference between the first figure and the figure of 54,688, which represents the men being called. I should like to have some information with respect to the figure of 550,692. Does this figure not include the second figure covering the men now on postponement? A man is never given a postponement until he is actually called. The men on postponement, as I understand it, would have been actually enlisted and signed up. Does the figure 100,973 represent men who have never actually got into the army? I think I am correct in assuming that it does. That would help the minister's position. But I do want a break-down of the 550,692 figure. I also want the minister to tell us about this lost army of 67,674 men. What is being done to trace them? What is being done to get them into the army? What is being done with the acknowledged defaulter? In my view it is not good enough to have some advertising agency, or whatever it is, in the city of Toronto, given the job of tracing these defaulters. I have forgotten the name of the company.

Mr. MARTIN: Hooper-Holmes Bureau.

Mr. HANSON (York-Sunbury): Are they an advertising agency?

Mr. MARTIN: No, a collection agency.

Mr. HANSON (York-Sunbury): That may be the proper sort of agency to hire for this purpose, I do not know. I am not concerned about that; I am not prepared either to condemn or to commend the employment of this agency, but I want to know what is being done to vindicate the law. The law has been set at defiance by a large number of people.

Mr. HOMUTH: It depends on what province they live in.

Mr. HANSON (York-Sunbury): It depends on where these defaulters are located. I am happy to think that in the little province of New Brunswick from which I come there have been few defaulters. I am happy to think that the citizens of New Brunswick have not had to be taught a sense of national obligation, as we were told by the chief of the general staff in October, 1940, was needed. So far as I know, there have been no prosecutions in the maritime provinces. The minister ought to tell us what he proposes to do to get these men into the army. He should give us particulars of the machinery used in sending out these calls, because so many of them seem to remain undelivered. My understanding is that every call was sent out by registered mail, so that every one of them could be traced, mathematically. What happened when that machinery broke down? Who has been penalized, if anybody, because the law was not carried out? These are all interesting queries that I am putting to the minister, and I hope he will take the time to put the position before the Canadian people, because they want to know, and they are not satisfied with what has been done in the past.

In particular the Canadian people were not satisfied with the administration of the Department of National War Services. If ever there was a washout in government departments in the history of this dominion it was the institution of that ministry and its career from that time down to this. I am not going to blame the minister who first occupied that position, because he is a busy man and I venture to say that he took on the job only because nobody else would take it. I have an idea that is the fact. I happen to know that when the Prime Minister was endeavouring to get gentlemen from outside the pale of the Liberal party to enter his government after May, 1940, he approached various gentlemen who were adherents of the Conservative party and offered one of them this job of minister of national war services, but to his everlasting credit the gentleman spurned the offer because he was not going to do the dirty work of the administration. That is true; that is a matter of history. I shall not mention the man's name. As I have said, I am not blaming the Minister of Agriculture, who was the first minister of national war services, but I do say that the performance of his successor in that position—I am sorry he is not in the house so that I could say this to his face, and I am not going to cast reflections upon him now that he has become a member of the judiciary—was a perfect wash-out, and the Canadian people never had any confidence in his administration of the office. I wonder why the ministry has been continued until this day. What useful function does it perform?

Mr. HOMUTH: That is why the former minister was given social security.

Mr. HANSON (York-Sunbury): The hon. gentleman is quite capable of expressing his own views and I invite him to do so when I am through, but I am expressing the thoughts that are running through my mind. Is the ministry being maintained for the purpose of political expediency, to find a place for the present minister who was put into office for the ostensible purpose of converting his compatriots to the principle of conscription for military service overseas? That is what we were told prior to the by-election in Outremont, but I notice he soft-pedalled that in all the speeches he made during the contest, and we have never heard from him since with respect to that aspect of the matter.

Mr. HOMUTH: Except that "it is not in the public interest."

Mr. HANSON (York-Sunbury): I am speaking of this particular question of interesting his compatriots in the great national effort in which Canada is at present engaged.

Mr. GARDINER: Mr. Chairman, the discussion which has been going on since Wednesday last with respect to certain matters having to do with man-power has caused quite a number of speakers to refer to the registration which was made in 1940. The hon. member for York-Sunbury has called attention to the fact that I was minister of national war services in 1940 and therefore in charge of that registration. The fact which has brought about the discussion that has been taking place was that 988,475 men of certain age groups from nineteen to forty six years were available in Canada, single men who at some time might be called for military service. After a call had been made, 608,642 of these men responded to the call and 379,833 did not. If I remember correctly the argument which was used in the house and certainly in some of the press of this country was to the effect that these men had simply disappeared, and that if such a considerable number of men could disappear and their whereabouts not be known to the government there must be something seriously wrong with the system in force. As I understand the remarks made last evening by the Minister of Labour, he accounted for these men in a way that must have been satisfactory to the last speaker; because I listened to his

remarks last evening when he suggested that at some later date, after he had had time to review the figures, he would tell the house what he thought about it all. But this afternoon, instead of telling the house what he thinks about it, he has risen in his place to tell us that he wants a little further explanation from the minister. In other words he has discovered that instead of 379,000 men there are some 68,000 men who are not entirely accounted for, and he wishes the minister to tell him who those 68,000 are and where they are. I tell him in a word that if he reads the explanation that was given by the Minister of Labour last night he will find everything explained, and that the whereabouts of many of the 68,000 are pretty well known.

That brings me back to the question of the registration itself. One of the members speaking last night agreed that the registration had been fairly well carried out and that the results were satisfactory. I recall that the statistics then available from the statistical branch of the Department of Trade and Commerce, following the previous census, indicated that there were in the neighbourhood of 8,000,000 people in Canada who were sixteen years of age or over. A registration was taken in 1940 of the people of Canada who were sixteen years and over, and the actual registration reveals that 7,862,920 people registered. The highest estimate that we have of the number of people in that age group in Canada was around 8,000,000, and the final result of the registration was that 7,862,920 people registered. I venture to say that there is no other country in the world in which, if the people had been called upon to register their names in three days the result obtained would have been as favourable as the result obtained in Canada on that occasion. When the second chance was given last year to those who had not registered in 1940, about 144,000 turned up and registered. If you add that 144,000 to 7,862,920 you get almost exactly 8,000,000 people, which was the estimate that was made of the number of people in Canada from sixteen to the top ages of our population. In other words, practically all the people registered on the first occasion, and practically all of the few who did not register at first registered on the second occasion, when some 144,000 appeared.

Mr. MacNICOL: On the second occasion did the number not include those who in the interim had reached the age of sixteen?

Mr. GARDINER: No, I understand not. It was the persons who should have registered in the first place but did not, because the idea was that any who did not register after this second chance were to be prosecuted. As I understand the figures given last night, some 1,300 have been prosecuted, most of them convicted, and some 14,000 cases are still in the hands of the courts. That is the position in connection with the registration itself.

But the chief charge or the chief claim which was made in the press which criticized the statement made last week was that all these people should have been followed throughout the year, that this registration should have been kept up to date, and that somebody in the government should know exactly where every one of these 8,000,000 persons is at the present time. I submit that any member of this house or any person in Canada who is interested only in seeing a job done knows how ridiculous a thing like that would be. Any man in any community knows that at least seventy-five per cent, in many cases ninety per cent, of the people in the community are living to-day exactly where they were living in 1940. Everyone in the community knows where they are, knows that they were there in 1940 and that they are there still. As a matter of fact, when we examine into the farm population situation, we find that about twenty-five per cent of the man-power from our farms of certain large groups who are able-bodied men, have left the farms and gone into some other employment. That means that seventy-five per cent of them are still on the farms—that is, speaking of the man-power—and I venture to say that when you take the woman-power into account a much larger percentage than the seventy-five per cent are still on the farms. What would be the sense in a government or anyone else sending a body of people around to inquire every once in a while whether these people are at home or where they are? The facts with regard to the whole case demonstrate they are at home, and they are not only at home but they are working.

Something has been said as to whether the method which has been followed in connection with our man-power is a good method. I believe the minister, speaking in the house, said the other day that under the circumstances this was the best plan that could be devised in this country. Well, if one wants to test the plan itself what one should take into consideration is the results. What are the results? The hon. member for Témiscouata, (Mr. Pouliot) speaking a few moments ago, referred to the position of the farm population in his province; and he has a perfect right to discuss that and should discuss it, but in discussing it I submit that he was not altogether fair. The orders and the statements made in 1940 and 1941 with regard to persons who were on farms permanently and persons who were there only seasonally had to do

with the policy which was then being put into effect. The policy was one which was intended to give thirty days' training in the first few months, and, later, four months' training to every man of a certain age in Canada if he were single. In putting that into effect it was said that agriculture is more or less seasonal, and it was said, in the interests of agriculture, not in the interests of someone else, not in the interests of the army—the army if left to themselves would have desired to get those men called, so many in each six weeks period, as was done at the beginning, from every area right across Canada—but agriculture said, and certainly the Minister of Agriculture, who happened at the time to be Minister of National War Services, said, that the proper time to train men off the farms is in the season when they are least employed. In the western sections of Canada, where we are grain growers, we said, "If you want to call men for training from the farms, call them in the winter months and not in the summer months so far as those areas are concerned." It is true we had protests with regard to that policy from dairy areas across Canada where, they said, labour was just as necessary for dairying in winter as in summer, and conditions were provided to meet situations of the kind, and men went forward to training. It is true that when it was changed from thirty days to four months some difference was made in the ruling, and then, when the four-months regulation was removed and men were supposed to remain in, other changes had to be made, and one was the change which was made in the spring of 1942. Within six months of the time that the limitation had been taken off the four months' training, and within three months of the beginning of the off season, the regulation was that men who were on farms and were essential to agriculture and asked for postponement were entitled to be given indefinite postponement.

Some hon. members from the west raised the question last evening as to whether that intention was carried out. I do not need to repeat in this house what I said here last February, that in certain areas the intention of the regulations had not been carried out. I do not need to repeat what was said within the last three weeks in this chamber, and admitted by hon. members from every part of it, that since February last the intention had been fairly well carried out throughout the length and breadth of the country. But I do come back to this point, that an effort has been made to do what is the fair thing in connection with the calling up of men and to allow persons to remain in places where they are most useful.

After we have been carrying on for almost four years in connection with this war, what is the position with regard to man-power? If one were to take the able-bodied man-power of this country and divide it into three groups: first, the group that is on the farms; second, the group that is in the munitions plants, or in the yards that are building ships, or in factories which are building planes or tanks or trucks, and then take the group that are in the army, it will be found that the statement I made back in 1941 which my hon. friend was quoting a few moments ago has turned out to be not very far wrong. That statement was to the effect that if it ever became necessary in this country to have a million men in the army or in the armed forces of Canada, it would be found possible to produce the munitions of war, the ships and the machines of war, and also to produce a great deal more food than we had ever produced in Canada in the past. I backed up that statement by saying that if the registration showed approximately 8,000,000 people in Canada, and 1,000,000 were taken out to fight the war, surely the other 7,000,000 could take care of the other jobs, the jobs of providing the wherewithal to fight and the food to keep those who were fighting as well as ourselves.

Well now, coming to the position of to-day, where do we find ourselves? We find ourselves with 988,000 young men who have been called for service. Of that number, 550,000 are in the armed forces; 257,000 of them, as the figures revealed the other night, were found unsuited because of their physical condition to go into the armed forces; approximately 100,000 men have been found to be entitled to postponement and have been given postponement. Men in other exempted categories number about 12,000. When you go over the figures of the men who were available for military service because of being in certain age groups, and single, you have only some 68,000 of them still to account for, and they are accounted for in the general terms used by the minister the other night. In addition to that you have the married men who joined the forces and others who did not come in these groups who were in the forces. The figures given the other day show that approximately 700,000 men have joined the fighting forces of Canada, and in addition to those there are some 150,000 men, some of whom perhaps are too old to go into the fighting forces, to go overseas or into battle, but who nevertheless are in the forces performing services as guards or otherwise throughout the country. In addition there are 38,000 men in the merchant

marine, who are as truly facing dangers to-day as are the fighting men on any front in any part of the world.

These figures bring us dangerously close to the point where we are providing as many men as anyone ever estimated, since the war started, that the dominion would provide for the fighting forces. When I made that speech in 1941 I received criticism from every part of Canada. I was asked, how do you expect that there ever will be 1,000,000 men in the armed forces of this country? My own opinion has been from the beginning of the war that some day there ought to be three-quarters of a million men ready to fight for Canada in this war, and we are getting so close to it now that I feel rather proud of having made the estimate away back at the time when I was minister of national war services.

We have approximately 3,000,000 able-bodied men in Canada of these age groups, married and single who might be pushed around. Over 1,000,000 are on the farms, and almost 1,000,000 will be found in the armed forces, or among those who are doing work similar to that of the armed forces, and another million, approximately or more than a million of them, will be found in our munitions plants and factories of one kind or another doing work associated with the war. In other words, without getting down to exact figures—and exact figures bore a lot of people in this country—our population is split about three ways. I have listened to statisticians, and I have sat in committees with statisticians, who can give figures to the last man and the last fraction of a man, and I have listened so long now to that sort of thing that I am getting tired of it myself. However, I say that you can take the manpower of the country and split it into three about equal groups, and you will find that one-third of them will be doing something to produce food, another third will be doing something to produce munitions and equipment for the war, and still another third will be found in the armed forces or getting ready to go in.

That, I think, is the way in which the whole system should be viewed and criticized. Is that a proper division of the population? I submit that the results seem to indicate that it is. And what do I mean by that? In 1940 we were told in this country—I have repeated it in this house before and I will state it again on this occasion—that when the armed forces came back after Dunkirk there was not enough ammunition in Britain to keep them shooting for one hour if they had been given all the guns that were there and all the ammunition and told to shoot. But we in Canada and the people of the United States and of every one of the democratic countries which to-day are favourable to the allied cause were asked to produce munitions of war and machines of war as soon as possible. I am proud of the fact, whether my friend the hon. member for Témiscouata criticizes me or not, that I did not stand up on that occasion and say that every man ought to remain on the farm. We would not be in this House of Commons to-day discussing matters with the freedom which we enjoy, and the right we have to say anything we like, whether it hurts or not, if on that occasion men had not gone into the factories and the shipyards and into the munitions plants from every part of this country and other countries, from every activity of the country, and rolled out the munitions and guns and tanks and ships as they have never been rolled out in any nation of similar size before. We were told in 1940 that no nation could equip itself in less than three and a quarter years after it had begun to do so.

Mr. HANSON (York-Sunbury): I don't remember that.

Mr. GARDINER: My hon. friend says he does not remember that. He does not remember it because it was said to me in London by men who know, that no nation could equip itself with munitions inside of three and a quarter years after it had begun the task. It was estimated that because we did not begin until 1938—and I am not speaking of Canada; we did not begin in the world to realize that we were going to have a war, we did not realize that among the democratic nations until 1938—it would take until 1942 at best to become equipped with ammunition alone, to the extent of being able to beat the enemy on a battlefield.

When Mr. Churchill came over on his first visit to Washington he told us that we would have to be delayed on that job until 1943, and now in 1943 the allied nations are producing munitions, ships, equipment of various kinds, and Canada stands second to no nation in the world in that regard. In other words, we have a sufficient number of our population engaged in the task to-day to accomplish what was expected of us.

What about the farms? We have talked a lot about farm labour and the shortage of farm labour, and I agree with everything that was said a few moments ago by the member for York-Sunbury. I agree also with much of what was said by the member for Témiscouata with regard to hardships. But you will

have noted, Mr. Chairman, that in order to substantiate the criticisms which are made it is always necessary for members to come back to individual cases. It is all very well to say that in one family four sons went while in another family none went. I venture to say to the member for York-Sunbury and the member for Témiscouata that in those families where four sons went, no law or regulation, no organization in Canada, could have prevented those young men from going. They went because they thought it was their duty to go, and no one could have stopped them. No regulation or dictation from Ottawa, no indication, "We want you to follow a team of horses on the farm instead of going to fight," would have kept that type of man at home. And I am not too sure that some of the others that are spoken of would have made very good soldiers. I say, I am not too sure of it. Probably they would have found themselves in some job that was not as essential as the job they were doing before. I am not going to comment further on that.

I will not argue in this committee or anywhere else that war does not bring hardships. War is bound to bring hardships to any family or group of people who take their patriotism seriously. It will not to those who just talk about it. I heard a gentleman only today—I am not going to say who he was—make the statement in a meeting that a plan is no good if it is just on paper, a treaty is not of much use if it just has signatures on it. After all, what counts is work. The thing we have to do is to work at the job. I think that is very sound. These people of Canada on our farms have been working at the job, and to-day we are producing more food than anyone in this house would have stood up four years ago and prophesied that we could ever produce with the normal farm population.

I have heard members every session in the last four years declare that before the end of the year we are going to find out that our farms are lacking in labour and machinery and fertilizer, and for that reason we are not going to be able to produce in Canada what we were hoping to be able to produce. But every year we have been able to produce more than we hoped to be able to produce. As late as the year 1942 we sent to Great Britain all the essential products that she asked us for. In cheese and pork products we sent approximately eighty per cent of our production. And not only eighty per cent of our production, but we sent her in so far as pork products are concerned eighty per cent of what she got from all the countries of the world, before the war started. Our great problem in agriculture is the problem of determining what we are going to do in the future with all we are producing. But I have never met a farmer in Canada—and I travel among farmers from the Atlantic to the Pacific—who has told me that he is not prepared to produce until it hurts, even though he may be called upon to cut down again at the end of the war to where it hurts. He is not talking about that, seriously, until he has the first job done. And the first job is the winning of this war.

We know in Canada what it means to us to lose; I should say, not to completely win a war in which we take part. We went through one of them within the lifetime of every member in this house. Every man who got by the last war, even though many members of his family did not, and thought that war was over for his lifetime, has found out since, if he raised a family in this country, that in conditions which existed in the world his family might go down in battle, in due course. And having found that out on two occasions, what the men of this country want is to win this war, and a condition in the world which will make it possible for him to go on and to produce for a peace-loving world. We are producing more munitions than anyone ever expected us to produce. We are producing more machinery of war, more ships of war and more food from our farms. We have many men in the armed forces of Canada to-day who, had it not been for the war, would have been in the farm forces of Canada. Thousands of them did not wait for the call, but joined up. That was the meaning of what was said the other night by the Minister of Labour. If anyone believes they are not listed, he should consult the lists in our forces. It must be remembered that we have only 12,000,000 people in Canada. We cannot feed China with its 400,000,000. If it is left to us to do that job, some of them will be left to starve. We are doing the best we can do, with around 12,000,000 people. We cannot produce enough munitions to supply the millions who will come from Great Britain and the United States, with the millions of men they have already at the front, and the additional millions in China, and other places where there will be shooting. But we can produce and are producing our share of it. Every statesman of the world, including the stateswoman, Madam Chiang Kai-shek, who was here the other day, who has discussed the question at all, has said that Canada has done more than her share in connection with the war, in the production of machines and munitions of war. When it comes to our food supply, any information

we get from outside Canada is to the effect that they cannot understand how Canada accomplishes as much as she does.

When it comes to our armed forces for all services, our men manning the ships at sea, our men fighting in the air and our men in the army who have been making ready since the outset of the war, all are going to be available to finish it in numbers greater than was anticipated. None of the allies except Russia ever thought they were ready even to start fighting in this war until 1943. Those men who have died at sea and in the air in the past two or three years have died to give us an opportunity to get ready. We are ready now. The fight is still ahead. And as that fight goes on, we will continue to require men in the armed forces.

I can understand the hon. member who has just spoken saying that it is important that we should have men in the army. But I do not think he should have bothered making the correction he made a while ago. I still think it is important that men should be in the armed forces. And I still think we are doing a very good job on the farms—not we who are sitting here in this house. As a matter of fact, if we had been more anxious to get the job done on the farms, we would have been out of here two months ago, doing a little farming. Again I agree with my hon. friend that such work is more important than talking, and must be done. I know he is really anxious to get it done. I am anxious to get out on my farm and do a little work, too. There are other members who are anxious to get away. We all of us can help, out on the line in our country, if we are not able to help on the front line over where the battle is being carried on. If we want to do a real job, we have to get out as soon as possible where production is being carried on. We are not going to accomplish anything if we hold the opinion that the front line is here, in the House of Commons, and that we should sit here for twelve months talking about it. If we would just get the estimates through, we would then have an opportunity to get busy. Let every business man and every farmer here get back to his work, in the busy season, and we shall be doing the best job we can do, and getting on with the war.

Mr. MacNICOL: Yesterday I asked the minister a question with reference to the manner in which men are selected to be sent to the various industrial institutions. The military end of this matter has been discussed at some length. My remarks will be with respect to the industrial end. I asked the minister what the procedure would be if one asked the selective service office at Toronto for ten boilermakers, or ten riveters, or men of that type. He replied that the selective service office has all people in the community classified as to their various skill and training. That would indicate that selective service must take the responsibility for those who are sent to any industrial institution.

On the 23rd instant the Toronto *Telegram* contained an article which to my mind revealed a grave condition in the shipbuilding industry at Toronto. I am wondering if selective service sent the men referred to in this article to the Toronto Shipbuilding plant. I have had a great deal to do with labour, and to my mind this is almost an impossible situation. The article states:

> Employees of the Toronto Shipbuilding Company have asked munitions minister C. D. Howe to investigate conditions in the Toronto shipyard, said to be retarding production and resulting in the waste of thousands of dollars of public money.

The production end, of course, is under the Department of Munitions and Supply. But the sending of men to the plant is under the Minister of Labour. This article states:

> 1. Certain types of ships which are under construction at the yard for the past twenty-two months have not been commissioned.

That is a very long time in which to turn out a ship in war time. Then:

> It was pointed out that hulls Nos. 31 and 32 left the yard in September, 1942, uncompleted and were sent to the yard at Saint John, New Brunswick.

At the time of the writing of this article they were still not commissioned. The article sets out the reason for this situation as faulty workmanship, wrong material, faulty measurements which necessitated the almost complete rebuilding of the ships when they arrived at Saint John.

I have had a great deal to do with steel in connection with boilermaking. I know that to compete in the building of boilers it is necessary to drill and shear a number of plates at one time, perhaps two, three, four, five or six at once. Therefore the measurements have to be perfect or there is great loss and great delay. In my time we could not afford to have men who could not measure steel or who could not properly mark the holes to be drilled in the boiler sheets; we could not afford the losses, but evidently there is a great deal of trouble here if this article is based on fact. I have no doubt it is, because the brief on which this article was based was submitted by Mr. L. Sefton of the United Steel Workers of America. I assume that the brief is correct, and of course the article itself would be correct to the extent that the brief is accurate.

This article goes on to state that the mast on one of these ships was erected at the position indicated by the foreman superintending the construction of the ship. It was erected in front of the door leading to the captain's cabin; after it had been welded to the deck and all the work had been finished of course they found that the captain could not get into his cabin and the mast had to be taken down again. Surely that is a situation for which somebody must be responsible. I do not know how far the minister can go, but he is the Minister of Labour; he is a man in whom I have confidence, and he may have authority to see that conditions of this kind are wiped out. Certainly they should be. Certainly no plant building ships in war-time should have such incompetent labour or incompetent management or incompetent foremanship; I am not going to condemn one or the other.

The article goes on to speak of the ship's brass. Instances are mentioned of material being provided such as naval brass, which had to be scrapped because it was improperly laid out. Brass is one of the commodities of which we can hardly get enough for the construction of ships and the necessary workaday life of this country. There is something very seriously wrong in that respect. What kind of men were sent to that plant? Did the men in the national selective service offices who looked them over know enough to see that the proper men were sent there? I do not know; I am not saying they did not. I do not know how much they had to do with it, but certainly if all the facts set out in the brief are correct there was something very seriously wrong. The article goes on to tell about the boring of holes. That is something with which I have had experience, as no doubt the minister has. In steel or in iron you may allow a variation of perhaps one-thousandth of an inch, but if you go much beyond that you make an error which results in a good deal of material being wasted.

The article goes on to speak of brass storm valves, costing approximately $50 each, which were not the correct type and which were thrown into the bay. If that actually occurred I think the minister should make an investigation. To me it seems almost incredible that valves costing $50 each should be thrown away like that. Were there no foremen on the job? Where was the management? This is a government plant, remember; was it being run in this fashion? If so it is an alarming situation. Fancy throwing $50 valves into the bay! I think the minister should send a man to that plant and have a diver go down and dig those valves out of the bottom of the bay; they are too expensive to be thrown away like that.

The article goes on to speak of the difficulties in connection with welding. Well, that is also something with which I have had experience. It has to be done properly; certainly if two steel plates going into the construction of a ship are not properly welded, there will be a leak. Perhaps that is one reason why these ships had to be partially rebuilt when they got to Saint John. Mention is also made of the riveting of the plates. The article states:

> In the matter of wastage of public moneys it was pointed out that in Hull 43, when tested, 1,700 rivets leaked and had to be replaced, wasting material, time and money. It would appear that the system of paying a bonus for the number of rivets driven, rather than for the rivets tested watertight, "mitigates against efficient workmanship. . . ."

How much national selective service has to do with the muddle in this shipyard I do not know, but someone should be held responsible. We require ships; but when it takes twenty-two months to turn out a ship of that kind, and then it is necessary to keep it for approximately another year at Saint John being refitted and rebuilt before going into commission, it does not help to win the war. I think we should have an explanation as to just what part national selective service officers play in the distribution of man-power.

Mr. MITCHELL: If I could answer my hon. friend in a sentence—

Mr. MacNICOL: I shall be through in a moment. I sat for many hours in the labour offices in Manchester, Birmingham and London; and as a former employer of labour it did me good to listen to the questions which were asked by the men behind the counter; for I appreciated their knowledge of the trades to which they were sending men. Perhaps our national selective service has not had time as yet to get properly organized to send the most competent men to work in our munitions plants. If what was said yesterday or the day before by the minister or the hon. member for Essex East is correct, that there are 4,500 men and perhaps women employed in the national selective service offices, and that only 900 people have been transferred from one plant to another, perhaps the time has come when we should send 3,500 of the people employed in these offices to work in the factories, because it would appear that they have been doing very little.

I read in the press to-day, as no doubt the minister did, an article in regard to the strike in the Quebec shipyards. Something must be done to eliminate strikes in this country. Those shipyards have been shut down for two weeks, and 672,000 man-hours of labour have been lost. Well, surely there is something wrong when in the shipyards of one province, in war-time, 672,000 man-hours of labour can be lost. Surely the department should be able to cope with a situation of this kind. Surely they should be able to see that the men receive proper treatment, that the management gives them whatever fair treatment they are asking for, and that they are kept at work.

I wish to say a word or two about priorities. Some days ago I asked a question or two on this matter, and later the hon. member for Winnipeg North Centre asked further questions on the same point. At the time I was not paying very much attention to what the hon. member for Winnipeg North Centre was saying; I was busy at something on my desk, and I did not just grasp the significance of the minister's reply to questions 1 and 2. Questions 1 and 2, which I asked on June 16, 1943, were:

1. Is there a priority list or classification of industries or firms for the guidance of national selective service in placing workers?
2. If so, who prepared this list?

The minister's reply, as reported at pages 3998 and 3999 of *Hansard,* is as follows:

Let me say without equivocation that national selective service is not, to my knowledge, being used to cut down wages. That is question No. 1.

I did not say anything about wages, although the hon. member for Winnipeg North Centre may have. The minister continued:

As to number 2, with regard to the priority schedule, that of course is confidential for obvious reasons.

Farther down on the page he gives a list of those who make up the board that decides whether this or that factory is to have preference in connection with men. This advisory board is made up of representatives of employers' organizations such as the chamber of commerce, the manufacturers' association, the mining association and so on, and on the labour side are representatives of the Canadian congress of labour, the railroad trades, the Catholic syndicates and the trades and labour congress of Canada. There are also representatives of the departments concerned in the production of war materials.

I can picture a cast iron boilermaker sending to national selective service for ten moulders, and a hot air furnace manufacturer also sending for ten moulders to make fire-pots. If there is a representative of the castiron boiler manufacturers on the board, he will probably see that the cast iron boiler manufacturer gets the preference, or vice versa. I would suggest that the foremen in the shops should be represented, because in many instances they know just as much as or more than the manufacturers as to the type of man that is needed. Who represents the retail trade on the board? As we all know, the retail merchants distribute vast quantities of manufactured articles.

Take the large restaurants on Sparks street like Woolworth's or Kresge's or the large restaurant operators in Toronto. They buy their sugar and flour by the bag or barrel. The plan is to have girls and women handle all this work. A girl or a woman should not be asked to lift a 100-pound bag of flour or a 200- or 300-pound barrel, whatever a barrel weighs.

An hon. MEMBER: One hundred and ninety-six pounds.

Mr. MacNICOL: That is too much weight to ask help of that kind to shuffle around. Then take shortening, for instance. I understand it comes in 400-pound barrels. It is all very well to say that it could be put up in ten-pound or forty-pound kegs, that sugar and flour could be put up in ten-pound or forty-pound bags, but if that were done we might hear from the Minister of Munitions and Supply. The plants now turning out these containers are designed to manufacture those particular sizes. I am wondering if such things are not partly the cause of the muddle we now have in man-power. I am not blaming the minister for this, because I realize he has had a terrific job to handle. I would rather help him than do anything that would give him more worry. But the man-power situation is so serious that something must be done, especially in connection with ships and equipment for ships. They must be turned out more rapidly and sent down to the sea to safeguard the supplies going overseas.

Mr. MITCHELL: I think the hon. member asked me whether the Department of Labour had to do with materials. That would be under the jurisdiction of the Department of Munitions and Supply. My hon. friend also said something about the transfer of 900 people. I should like to tell him that during last year selective service placed 1,400,000 people in jobs.

Mr. MacNICOL: I referred to 900 transfers.

Mr. MITCHELL: That was all done within a short period. In Great Britain over 90 per cent of the transfers or placements have been

made without any direction. I feel sure that the Canadian men and women will give the same degree of cooperation as has been given in Great Britain. As to the fitness of a man sent to take a job, I may say that in the unemployment insurance offices we have card indexes of three and a quarter million people which indicate their skills, but the final say as to the fitness of a man must be the employer himself. National selective service regulations have been so devised as to take care of that particular phase of selective service activity, and either the workman can leave or the employer can ask the workman to leave without giving the usual seven days' notice up to a period of thirty days after work has been accepted.

My hon. friend inquired also about the priority list that is given to national selective service officers. As I indicated the other day, this list is drawn up by the priority division of the Department of Labour and representatives of the Department of Munitions and Supply and wartime prices and trade board. Naturally the list is confidential, because it changes from day to day in conformity with the changes in work being undertaken by different industries.

The hon. member for Témiscouata (Mr. Pouliot) referred to Mr. Gunn who came to Canada at my request from the department of labour in Great Britain. Mr. Gunn was of great assistance in the early stages of the organization of selective service. He has spent his life in the administrative side of the British ministry of labour, having been in it almost since its inception. He is one of the permanent officials of that department. I do not think it is a crime to go outside the boundaries of this country to get advice in connection with any work which any government, federal, provincial or municipal, might carry on. It is often done. I know the United States government requested Mr. Bevin to lend them one of his ranking officials in connection with their organization, and it is to the credit of Mr. Bevin, in view of the tremendous pressure under which the British ministry of labour is functioning at the present time, that he found it possible to lend us one of his senior officials for nearly six months.

Mr. GRAYDON: Did the government or the minister negotiate for the services of this man through Mr. Bevin or directly with the man himself?

Mr. MITCHELL: I know Mr. Bevin personally; I just cabled him, and he very kindly lent us the services of one of his senior assistants.

Mr. GRAYDON: He is the man Mr. Bevin chose?

Mr. MITCHELL: Absolutely. We owe to a Frenchman, Mr. Greber, a distinguished landscape architect, much of the scenic beauty round the centre of Ottawa.

Mr. REID: We have to walk round the monument now.

Mr. MITCHELL: Mr. Greber was employed by the government of this country to lay out the city of Ottawa. When I have been to Washington in connection with government matters I have been glad to get the experience and advice of our United States friends, and they have also come here and been glad to get our advice. I hope that free intercourse and interchange of ideas will continue. I wish there were more of it in the world, because no nation can live in a vacuum. Our doctors and dentists in peace time go to Vienna and Paris, and of course to London and Edinburgh, to continue their studies.

The other question my hon. friend raised was as to a difference in treatment between western Canada and eastern Canada in the military call-up. He said that was shown by the fact that men from Saskatchewan had come to work in Ontario during the summer months. That is made possible on account of the nature of farming operations in the western provinces. There is an off-season between seeding and harvest when the men on the western farms would be comparatively idle, and it is possible to make them available for a short period to other parts of Canada.

The hon. member for York-Sunbury asked with respect to the figures I gave last night whether the number outstanding, 100,973, was included in the 550,692. The answer is, no.

Mr. ROSS (Souris): I agree with the Minister of Agriculture that more work and fewer words are required so that we can get back to our farms; but the question of postponement was raised last night, and the minister said that in his view, where the man was essential to agriculture, an indefinite postponement was granted. I know a young farmer —it may be an isolated case—who has been granted only six months postponement on three different occasions, the last being March, 1943. He may have now become an "R" recruit; I think there should be greater cooperation between the army and this department. At all events, this young chap is the only male left on a section of land, with 80 head of cattle and the usual number of horses and hogs. I think he and others in like position should be granted indefinite postponement. I hope that will be the practice in the future.

I certainly think the hon. member for Lake Centre and the hon. member for York-Sunbury have proven in this house in the last few days that inequality does exist in the call-up between different sections of the country. The hon. member for York-Sunbury this afternoon told of a farmer in his locality with four sons who were granted postponement, or at all events they were not in the service, while a neighbouring farmer had his only son in the army. I could cite similar examples from my province. The examples I have given are not from my constituency. I know of a farmer who was not beyond an age at which he could continue to work his farm, who had four sons, grown up young men, and a younger son not of military age, who before the war were running less than a rented section, but since the war some of the boys have bought more land by agreement of sale and are continuing to stay on the farm. One can readily understand the feeling that exists in that community when they see that and then see a neighbouring farmer without a son left to help him on a much larger farm, and the older man forced to operate the farm alone. That is not a healthy situation; it is most unhealthy, but these are some of the results of the man-power policy of this government of to-day. As was stated by the hon. member for York-Sunbury this afternoon, the operation of a few of these mobilization boards under the Department of National War Services has been little short of a disgrace. My sympathies are very much with the Minister of Labour and his staff because, after almost four years of operation, the man-power situation has become so tangled that it is almost impossible for any human being to unscramble the man-power muddle we have in Canada. The minister and his department deserve sympathy in attempting to make something of the bad muddle we have at the present time.

Mr. GILLIS: I wish to say a few words on selective service and how it operates. The real test of any machinery is the way in which it functions and the service it performs. Before I go into that, I should like to pay my respects to the hon. member for York-Sunbury. I am sorry he is not in his place at the moment. Generally, after making one of his orations to the house; after making a left-handed swipe at the members of this group, he packs his grip and goes away for a rest, to get some more wind up. This afternoon he referred to bill No. 80 of last year, to amend the National Resources Mobilization Act, and the attitude of members of this group on that bill, and on the stand of members of this group who were in the house at the time war was declared. I did not happen to be in the house at that time, but I followed very closely the position taken by the members of this group, and I would say this with respect to bill No. 80: While we do not agree with the government's handling of man-power for military purposes, the Prime Minister, when he explained the government's position with respect to bill No. 80 of last year and the future of man-power for military purposes in this country, left no doubt in the minds of any member of the house as to his intentions. He clearly stated that there would be no change with respect to the raising of men for military purposes until he returned to this house and asked for a vote of confidence. At that time the hon. member for York-Sunbury and every member of his group voted for and supported the Prime Minister and the governernment with respect to raising men on that basis for military purposes, and incidentally at the same time made the remark, after the vote was taken, that the government had looped the loop three times within twenty-four hours on that particular question—and he looped the loop with them. His speech yesterday afternoon clearly indicates that he is now endeavouring to get hold of a parachute to ease himself to the ground in order to alibi his way out and apologize for the stand taken at that time. I cannot see where he can do anything in the future, on the basis of that vote cast for bill No. 80 of last year, except to support the government all the way in any policy they may bring before this house. The members of this group did not do so. We realized at that time that it was placing too much power in the hands of the Prime Minister on that question to support him in that measure, and left ourselves free to fight and analyse the proposals and take whatever action we think necessary on that question when it comes before the house. We insisted at that time on that vote that a bill should be brought before this house for the purpose of raising men for military purposes which we could vote on, and with regard to which we could clearly understand what the regulations were. The hon. member for York-Sunbury did not do that, and he has absolutely no criticism to make, or should not have, because the Co-operative Commonwealth Federation members kept both hands free and intend to fight that issue when it is brought before the house at some time in the future.

With respect to the attitude of this group in 1939, I think any hon. member who is conscious of Canada's position at that time would take exactly the same position. He could not take any other. The generation

that you proposed to place in uniform at that time could not be expected very readily to volunteer for military service, and I think the government took the proper attitude in approaching that very cautiously, to avoid a revolution. You had a disinherited, disfranchised generation that were on the rods from coast to coast, without a means of livelihood for the twenty years between the two wars, and were you to have approached them when this war broke out with a mandate that you were to requisition them for military service and send them overseas, you would not have had the military organization which you have in Canada to-day on a voluntary basis.

Second, anyone who looked at the problem realistically must have recognized that Canada was completely unorganized in every phase of war. The industrial machine was functioning at just about ten per cent. When war finally broke out, in view of the position which Britain and other countries close to the scene of war were in, it was recognized by General McNaughton and others who viewed the matter realistically that Canada's position would be one of producing machines, munitions, ships and other requirements for war purposes. While he was in Canada in 1941, General McNaughton clearly stated through the public press that the main emphasis as far as Canada is concerned should be placed on the production of machines of war, not the sending overseas of half-fed and half-trained men to be placed in a position where it was difficult either to feed or to train them. This is where the training job should be done.

With respect to the trainees who are in Canada at the present time, many demand that they should be conscripted and sent overseas. I do not believe that if the Canadian army goes into action, there will be any difficulty in having at least ninety per cent of the men now in the army in Canada on that basis, cross the sea and join in the battle with their friends, relatives and neighbours who at present are in England. To-day units are applying to be moved en bloc. I can mention units on the east coast that are in that category. They have done jobs on isolated posts and been in a much tougher position than are the fellows in the old country, and they are anxious to get away. They trained together; they want to move together, but they are being kept here year after year. I completely discount the argument which is advanced that these men will have to be moved by force. I do not think those who suggest that have any knowledge of the boys. They will go when they are needed, and I do not think that up to the present time they have been needed in England.

Mr. STIRLING: Does the hon. member mean units composed of our home defence recruits?

Mr. GILLIS: Yes, I do. To date they have not been needed in England. Moreover, there are now more there than we can feed. I think that is generally recognized by the boys who are remaining here. They perform the same service in Canada as waiting around in England. The time will come when they will move, and move voluntarily for the most part. I have not much doubt about that.

I have not much patience with the man who rises in his place in this chamber and takes the position that everyone should be in a uniform, that there should be conscription of man-power for military purposes and military purposes only. It is easy to be an armchair general back here in Canada and be willing to fight until the last farmer or the last worker in this and other countries is dying on battlefields across the ocean. I do not mind that contention when it comes from men who have already made their contribution on some battlefield in the past. But I think it is ill-advised on the part of those who have had a nice comfortable living during the years of poverty and frustration of the generation that to-day has to fight a second war, and some of whom have already made their contribution in blood on the battlefields of Europe, in order that those who are comfortably off may retain that comfortable position in Canada, and they are not prepared to make very many sacrifices. I think it is uncalled for and totally unbecoming for the hon. member for York-Sunbury to occupy the amount of time in the house that he occupies telling you and me that your son and my son and someone else's son should be conscripted in order that people of that calibre may live the kind of life that they have, as contrasted with what the average worker in this country has had during the past twenty-five years after doing the job that he advocates the workers should be compelled to do again.

I make these remarks because I think the hon. member goes out of his way, every time he rises, to attempt to discredit members of this group. Make no mistake about it, although this group is small, thirty-three per cent of its members have already made their contributions on the battlefields of Europe, and perhaps would do it again quite willingly if they were not in the position they are in now.

I started to say something on selective service. I said that the test of the machinery is, how it is working in the field. One of my main criticisms of selective service is that the offices are understaffed. The machine has been called upon to do a lot of work which it was not originally designed to do. Originally the majority of the offices were set up as unemployment insurance offices and they were staffed for that purpose. Second, selective service was dumped in on them. Third, the welfare officers' work was also passed into the unemployment insurance offices, plus the selective service offices. To-day there are some 80,000 ex-servicemen back in Canada discharged from this war, with very few welfare officers in the national selective service or national employment offices to take care of the work. In Nova Scotia there is one. This large group of ex-servicemen has to be taken care of through the rehabilitation regulations, which is considerable work and a job in itself. That is thrown upon the selective service offices as an additional burden. I believe the department has 4,500 men across Canada employed in the national selective service offices.

Mr. MITCHELL: Men and women.

Mr. GILLIS: Men and women. From conversation with people who I think are in a position to judge, there should be approximately 2,000 more people in those offices in order to do this work and do it properly. That is one of the first things that should be done. If the machine is to function properly, it will have to be given the necessary personnel to do the job.

One complaint I have to make is that the Department of Labour allowed to get out of its control the organization of production committees and labour-management committees. That belongs to the Department of Labour. It is now under the Department of Munitions and Supply, but I think the department has altogether too much authority, too much work to do in its own field, without usurping the machinery that rightfully belongs to the Department of Labour. These labour-management committees, if properly set up, could do a wonderful service, working in cooperation with national selective service, in ironing out the many difficulties they have to handle, and the Minister of Labour would be well advised to insist on the completion of that organization and the direction of it back under the Department of Labour instead of leaving it under munitions and supply.

Mr. MITCHELL: The production committee is a joint body comprising munitions and supply and labour.

[Mr. Gillis.]

Mr. GILLIS: I hope it will soon start to work. It should be wholly in the Department of Labour.

Mr. MacINNIS: It will get no sympathy under munitions.

Mr. GILLIS: I think that is why it was taken over there. Another phase of selective service that requires checking up is the necessary coordination between the call-up boards and the national defence boards. This happens in many cases. Selective service sends out a notification that a man must report for medical examination to one of the national defence boards. The man loses a day's work reporting to the board and taking the medical examination. If he is fit he is sent into the service, but in many cases he is declared unfit and is placed perhaps in category E, and he goes back to work. The next week he gets another call from the same people back to the same board. I have known men to go through that routine twenty different times. A man is unfit and is turned down by the national defence board, and he reports that he has already had a call, but he receives another notice and he loses another day's work going through the same machinery. When he reports that he has received a call they will tear up that reply, but the next week he will get the call again.

Mr. MITCHELL: If my hon. friend has the name I should be glad if he would give it to me personally.

Mr. GILLIS: I will give the minister half a dozen of them.

Mr. MITCHELL: I shall be glad to have them.

Mr. GILLIS: That is particularly true in the Toronto district. That is the fault of national defence. The thing to do is to have the national defence board, whenever a man is categorized as unfit, send in notification to the national selective service giving the record to show that this man has been reported in category E and that there is a special file made of his case, so that there will not be a repetition of the call-up week after week.

The hon. member for Davenport introduced the question of shipbuilding as applied to the Toronto shipyards. National selective service definitely have a responsibility there. Under the regulations, before an employee can be dismissed from his job he must be given seven days' notice. There are 289 men affected at the Toronto shipbuilding yards. These men were dismissed without reference to the national selective service regulations. That was a week ago this past Friday, and these

men are still idle with the exception of about twenty. The charge made by the management that they had committed an infraction of the rules and regulations has been disproved; it is not true, and the men so dismissed illegally —there is no doubt about their having been dismissed illegally—have made representations to selective service in Toronto and are endeavouring to negotiate their reemployment there. Because of infraction of the regulations in the first place by the Toronto Shipbuilding company, they are trying to get them back en bloc through selective service. One of the officials was there, but he was there on another matter; and to date no action has been taken by selective service with reference to returning those men to their employment. They are key men. I know very well the story which the hon. member for Davenport was reciting, although I do not intend to tell it here. The minister of munitions has it verbatim much more fully than it was recited by the hon. member for Davenport. What I am concerned about is this. Immediate action should be taken by selective service from Ottawa to return those men to the Toronto Shipbuilding yard, put them on the job and then determine whether they are entitled to remuneration for the time lost during the period they were out of the yard illegally.

If the regulations are to work they must work both ways. They will have to be followed up and applied to employer and employee alike. In this case they are not being so applied, and I suggest that this is something that the minister should attend to. If the regulations are to be respected they will have to be enforced religiously, regardless of who gets hurt.

Another point I wish to bring to the attention of the minister is the transportation of men from point to point.

Mr. MARTIN: That is under another item.

Mr. GILLIS: Is it not under selective service?

Mr. MITCHELL: We have a special item for that.

Mr. GILLIS: Well, I can wait for the other item. There is a lot of trouble with that particular phase of the regulations in Nova Scotia. They seem to be splitting hairs on administration when men are taken from one industry and transferred to another. If selective service hires these men and puts them through their new plant, transportation is paid for; but in many instances where groups of men are employed or are being transferred they do not bother with selective service. They go to the office and are hired, and there is that much more work taken from selective service. But to qualify for the transportation reimbursement they must go to selective service and make application on a special form for transportation, and in many instances it costs from $4 to $4.50 a week commuting between different points. The boards have taken the stand that because the men were not hired through them in the first place, the special form does not apply and they cannot get that reimbursement for transportation from plant to plant. The only crime they committed, however, was saving the national selective service some hours of work in employing with a new employer. They short-cut the thing themselves, but because they did that and saved that amount of work to the office, they cannot receive reimbursement for the money spent in transportation from point to point. I should like to see this matter taken up by the deputy minister, who is sitting before the Minister of Labour, because I know that representations have been made to him time and again on this particular point.

There is another matter I wish to bring up, because I received a telegram this afternoon with regard to it. There is a charge made by union 4527, U.M.W. of A., representing the views of 900 men, that national selective service in Nova Scotia, in the Sydney area, in a dispute that involved the employees of a restaurant supplied strikebreakers to the restaurant keeper. I mention the matter here for this reason. On Monday of this week 7,000 coal miners were tied up in that Sydney-Glace Bay area on account of this dispute. The point at issue was that the restaurant keeper was violating the minimum wage laws of Nova Scotia and consequently was violating the trade union legislation of that province. This was entirely a provincial responsibility. It should have been settled there within twenty-four hours, but it was not settled. It was allowed to drag on from day to day, until it reached a point where it tied up essential war industry. They were notified a week earlier that if the minimum wage laws and the trade union legislation in the province were not recognized and enforced by the provincial authorities, within a given time a certain thing would happen. It did happen.

The point I make, for the benefit of the administrators of national selective service, is that if they have taken the position where they are prepared to supply labour where there is a dispute, they will not get much respect. To the best of my knowledge the office at Sydney has been 100 per cent efficient, and I have had a great deal to do with it. It is

cooperative, and understands its job thoroughly. I am not so sure about the office at Glace Bay. I would assume that the people supplied in this particular dispute would be supplied through the Glace Bay office. I am requesting the minister to check up on the matter.

An ultimatum was arrived at last Sunday, and a provision for an idle day was brought into effect. Next week, if it is not settled, there will be two idle days. A dispute of this kind could be settled by responsible authorities in ten minutes, simply by a telephone call. If the province will not act, then recognizing the fuel emergency and the repercussions of this dispute, the federal minister should take the bull by the horns and settle the matter for them.

Mr. HANSELL: We listened this afternoon to a speech by the Minister of Agriculture delivered in his characteristic form. I noticed, however, he took a good deal of credit to his government for what the people of Canada have done in the past few years. He rather deplored the fact that hon. members in the opposition were attempting to prove certain contentions by citing certain cases. All I wish to say in that respect is that nobody on the opposition side of the house will say that the people have not done a good job. No one on the opposition side of the house will say that the farmer has not done a good job in producing food. No one will criticize the people of Canada for the job they have done. But certainly it must be the duty of His Majesty's Loyal Opposition to point out certain weaknesses they think they have discovered in governmental administration. That is what we do when we rise in our places and bring certain matters to the attention of the government.

The minister went on to say that it was a great accomplishment for the national registration of a few years ago to be able to register several millions of people in just a few days. I do not consider that such a great accomplishment, so far as the administration is concerned. An order went out that a national registration was to be taken. We were under the stress, strain and duress of war. Of course all came out and registered. Surely there is no great accomplishment about that. We might as well say it is a great accomplishment when the whole nation goes home to lunch when the twelve o'clock whistle blows. One is almost equal to the other.

We want to know what purpose the national registration served, and what the results of it were in the years since it was taken. In fact, I wonder if it is not time we were having another national registration, to find out exactly where we are in respect of our manpower situation. I am not going to advocate that, but I am certain that the last national registration did not fulfil the purpose the Canadian people expected it would fulfil.

We are not disputing the fact that the people of Canada have done a great job. But some of us feel that a certain portion of our people are not keeping step with those who are doing a great job. I say that after referring to some figures brought down in the house some days ago, figures which the editors of the Ottawa *Journal* have taken time to consider, and which they have made the basis of an editorial entitled "Five Hundred Thousand Missing Men." The figures look perfectly correct, so far as I can see. It is pointed out that notices have been sent out to 988,475 men and that out of that number only 608,642 reported for examination, leaving 379,833 unaccounted for.

Mr. MARTIN: That was explained, though.

Mr. HANSELL: Perhaps it was; I do not know.

Mr. MARTIN: The minister did so last night.

Mr. HANSELL: Perhaps it is another case of juggling around with figures. The fact remains that—

Mr. MITCHELL: Does the hon. member insinuate that the minister has juggled figures, or that the juggling was done by the newspaper editorial writer?

Mr. HANSELL: Either one or the other. This afternoon the Minister of Agriculture said he was getting sick and tired of listening to figures this way and figures that way. Then he attempted to give some figures. The figures I have before me were compiled by the Ottawa *Journal*. They were brought down by the minister, and reference is made to them in this newspaper.

Mr. MITCHELL: I am not responsible for what the editor of the Ottawa *Journal* did with figures brought down in the house. I have not yet reached the stage where I try to mislead the house; and I do not juggle figures.

Mr. HANSELL: I am not accusing the minister of juggling figures. The minister's figures may be correct; I do not know. I know when one person talks figures and another person talks figures the old adage may be true that figures do not lie, but liars figure. I am not accusing anyone. I make the simple statement that I have some figures before me. And regardless of whether the figures in the *Journal* are 100 per cent accurate, the fact remains that they cannot be depreciated to any great extent, no matter how we

work it out. I am only saying that there seems to be a tremendous portion of our people who are not keeping in step or in line with others who are doing a job. Perhaps I had better not go on reading the figures contained in this article, since it is not very palatable to the minister.

Mr. MITCHELL: On a point of order, Mr. Chairman, there is nothing my hon. friend could say that would be unpalatable to me. I tried to be fair with the committee yesterday; I gave what I thought was a clear exposition of the man-power situation as far as the armed forces are concerned, from the best available sources, which are the official government sources. I know it is the easiest thing to do what my hon. friend is attempting to do at the present time, but unless he can prove me wrong I think he should take my word for it and should accept the figures presented by me as Minister of Labour last evening.

Mr. HANSELL: I am not concerned with whether or not what I say is palatable to the minister; I simply said that the figures in the *Journal* evidently were not to his liking, because he had to explain them last night. In any event they were his own figures. However, let that go by the board; I do not mind. I am going to state a grievance which I think is quite legitimate. I believe I am right in saying that a large proportion of the people of Canada, because they have not been given the proper direction, have been out of line and out of step with the rest of the people. I hold in my hand the June issue of "Canada at War," an informative little pamphlet issued by the wartime information board, which I like to read. In it I find something which of course is well known, that in April the minister was given power to order employers in specified industries to discontinue the employment of persons within certain age classes designated for military training, and so on.

Mr. MARTIN: What page and what month?

Mr. HANSELL: At page 47 of the June issue. This is perfectly correct; I am not criticizing it at all. Men in these classes may not be employed except under special permit, and then a list of ten specified classifications is given; there is a second order which covers six more classifications. I do not know what is involved in these special permits or how they are obtained, but I notice that classification No. 8 includes waiter, taxi driver, elevator operator, hotel bell-boy and domestic servant. I am going to suggest that this regulation evidently has not been fully complied with, for in some of the best hotels in Canada they still have male waiters. That might be all right; I do not know, but I suggest to the minister that it does not tend to the creation of the best possible morale or to a total war effort to see husky men waiting on tables at a supper dance, for instance. I was in the Royal York hotel the other day—perhaps I should not have mentioned the hotel, but I imagine it does not matter—and saw men wheeling carts on to the elevators, wheeling them off again and through the corridors because people wanted to have breakfast in bed.

Mr. GRANT: Perhaps they had flat feet.

Mr. HANSELL: Surely, while that sort of thing is permitted, it cannot be said that we have a total, all-out war effort. Surely these men could be better engaged in that war effort. I wish the minister would give some explanation with regard to this matter.

Referring again to these figures, I am not going to mention half a million men, but I wish to say that farther on in this little booklet it states that those affected by the new orders must register at the nearest employment and selective service office. It continues:

> This ensures that those men who have been called for national service and are not acceptable to the army—

It may be said that the people I have mentioned were not acceptable to the army.

> —will be engaged in essential work, such as farming, lumbering, coal mining, fishing and munitions work.

Surely there is some place where these men can fit into the picture. I am sorry if I seem to have singled out these people, but I am citing these cases because I have seen them; there may be other hon. members who can give outstanding examples in other lines of work. I have nothing against the restaurant business or against waiters who are engaged at high-class hotels. The same condition exists in other industries, but I suggest that these instances are noticed by people who have sons or perhaps husbands in the front line of battle. Surely, if we are going to carry on a total war, every man should be put at some specific task within the structure of our war effort. I am not complaining about these regulations; I am complaining in regard to the effectiveness of their operation. It may be a good thing to have regulations such as are outlined in this little booklet. The regulations are good; from time to time certain industries which are non-essential should be set out; but setting them out on paper does not put the thing into practical operation, so that I am bringing up this matter now, and I think the minister should give some explanation in connection with it.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. POULIOT: Mr. Chairman, I have only a few words to say in connection with the answers given this afternoon by the minister. Some time ago I asked for some information about the English expert who had been brought here, and he answered my question by referring to Mr. Greber who designed the plaza, Mr. Gunn being an Englishman and Mr. Greber a Frenchman. That is not the point at all, and to say that Mr. Greber is a Frenchman is no answer. We may bring in an expert from outside the country who has had experience in the development and beautification of cities; but when it comes to trade and national conditions, when it comes to choosing a man who must make suggestions or decisions on such matters, it is essential that we have someone who really knows the conditions that prevail. Conditions in England or the United States are different from what they are here. England is a small country with a large population; Canada is a large country with a small population, and the United States is a large country with a large population. How can a man from outside the country decide that an industry should do this or do that, decide that laundries are not essential and so on?

There is good material here among our people who possess common sense without bringing in an expert from some other country. This was supposed to be kept secret. Some of the members of the press gallery called on the department and were told in secret that Mr. Gunn had come to make these adjustments. I think the minister should rely upon people who live here. I do not say that in a parochial sense; I say it because I believe that a man who has spent his life in Canada, who has been in touch with business and industry, would know more about this country than an outsider who might spend a few months here and then make suggestions which amount almost to decisions. It is no answer to quote what was done in an entirely different field. I am not prejudiced or biased. If a Frenchman with a Parisian accent had been called in instead of Mr. Gunn, I would have criticized that action just the same. What I am complaining about is that this man has been appointed over the heads of good Canadians who could have done this job much better.

I should like to congratulate the former leader of the opposition upon many of the things he said this afternoon, but there are two or three sentences to which I must take exception. This reminds me of Doctor Edwards, the head of the Orangemen, who finally wrote me a letter in French. I nearly converted him. I do not contend that I have converted the former leader of the opposition, but he is making some progress. How long it will take, heaven knows. He stated one fact which deserves widest publicity. I took notes when he was speaking and I hope I can quote him correctly. He said that when the Prime Minister was endeavouring to get gentlemen from outside the pale of the Liberal party to enter his government after May, 1940, he approached various gentlemen who were adherents of the Conservative party and offered one of them this job of Minister of National War Services. Are we to have union government? Then the hon. member for York-Sunbury went on to say that to his everlasting credit the gentleman spurned the offer, because he was not going to do the dirty work of the administration. He went on to say that that is true, that that is a matter of history.

I never thought the Prime Minister had done that, although it was stated in the press. It is a surprise to me, and I hope the Prime Minister will make a statement when he has an opportunity to do so to-morrow. If we are to be the Liberal party we do not need anyone from the Conservative party as cabinet ministers. That is my humble view. I have been fighting against national government and union government ever since the last war, and I do not intend to change my views in consideration of anyone.

Then the hon. gentleman went on to ask: Is the ministry being maintained for the purpose of political expediency, to find a place for the present minister who was put into office for the ostensible purpose of converting his compatriots to the principle of conscription for military service overseas? I do not agree with the hon. member when he says that the Hon. Mr. Justice Thorson was a wash-out. That is not the language we would expect to hear from the lips of a gentleman of the legal experience and ability of the hon. member for York-Sunbury. We would not expect to hear him call the senior judge of the exchequer court a wash-out, comparing him to a shower. That is not worthy of the hon. member, and I am sure it was a slip of the tongue. What he said about the Minister of National War Services being appointed in order to convert the people of Quebec to the idea of conscription has been referred to by Miss Judith R. Robinson in the press, the Toronto *News*, and so far it has not been denied. If that is the case, then I think some questions that it would be proper to place on the order paper would be: What are the dates on and places at which

the present Minister of National War Services has spoken and what are the subjects discussed, first, from the time he was appointed as deputy minister of national war services until he was sworn in as minister; second, from the time he was sworn in as minister until his election as hon. member for Outremont and, third, from then on? It would be interesting to see what has been the programme of this perambulating Cicero in Quebec and outside.

The Minister of Agriculture, who is a very active man, has stated that he has travelled from coast to coast. I agree that on account of his position he must travel a great deal, but I am sure he did not stop off in the county of Temiscouata because he would have seen conditions entirely different from what he described. He stated that in round figures the loss of agriculture to the army was about twenty-five per cent. I know of cases where a key man on a farm was taken; no postponement was granted and he had to stay in the army. Even now when I ask the Minister of National Defence to release these men the answer is, no, most of the time. That is not right. The Minister of Agriculture said that we have in round figures a million men on the farm, a million men in the army, and a million men in our war industries.

Let me say to the Minister of Agriculture, who said that I was a bit unfair—I was not unfair, I was most generous—that at the start the regulations were made precisely to deceive the farmer, and it was the Minister of Agriculture, whose duty it is to keep men on the farm, who was made recruiting agent for the Department of National Defence, and he continued at that job even when he ceased to be Minister of National War Services, by making speeches like the one he made in London, Ontario, during the week-end. If there is a man who should work to keep the farmer on the farm, is it not the Minister of Agriculture? Is he not the last man to be the recruiting agent for the Department of National Defence? That is so in my humble view. The regulations, as I say, were made precisely to deceive the farmer. First, we had the one month's training; then, four months, and then indefinitely, although the men called up had no opportunity to make their own domestic arrangements accordingly. What I know very well is the fact that the regulations for the draft were all wrong. The minister for air, who has described agriculture as a seasonal occupation, should know something of the struggle we have had to have it recognized as an essential occupation, and we have not even yet succeeded in that. It is both seasonal and essential. Compare the conditions of the real farmers who work hard from dawn to dusk with those of the gentlemen farmers of the prairies who work only three months in the year and then fill up their tractors with gasoline and empty them in the fall. That was a profound mistake, a mistake from which we all suffer.

I regret the appointment of the famous chairman of the Quebec board, a man who had four of his judgments reversed at one term of the court of appeal. To have four judgments reversed in one term of King's bench must be a record—and this was the man who was to decide cases of postponement without any appeal being allowed. Moreover, I will tell the Minister of Labour in honest-to-goodness fashion that even the registrar wrote me once, saying that the board could not reconsider its own rulings. I had to write to Ottawa to have the board told that if there was no appeal from its ruling the board had the right to reconsider its own rulings. That was the fight I had to make. If the minister wants more information about that, his colleague the Minister of National War Services, if he is honest about the matter, as I presume he will be, will inform him that I am telling the truth. I can show the minister my file if he still doubts. That is a fight we had to make for the protection of the farmer and for the protection of this country, and for the supplying of the foodstuffs that are necessary in this war. Once a man knows he has done an injustice, it is his duty to repair it. Injustices were done by the board, in larger number last year than this year, I admit, but nevertheless injustices were done just the same this year, with no redress for those concerned. There are farmers who will be unable to cultivate their farms this year, because their key man has gone to camp and it is impossible to have him brought back to the farm.

I have the statement of no less a man than the premier of the province of Quebec, who said that all farmers should have a postponement. I can show the minister many cases where that has not been done. Of course a gentleman who is head of a provincial government does not have the time to see everything that goes on and to consider each case as a member of parliament has a duty to do for the benefit of his constituents. I know very well a large number of cases in which the farmers did not get the satisfaction to which they were entitled. Moreover, I will tell the minister once more and for the last time that so long as he is not the boss—I mean the big boss—exercising the powers that he has to tell the Minister of National Defence to release

this man and that man to go on the farm, the national service regulations will not work at all. I offer that suggestion to the minister in all honesty.

The regulations were arranged to get the farmers into a trap and keep them there. I have no objection to farmers enlisting voluntarily, but those who do not enlist voluntarily are not cowards; they are boys who could not leave the farm. It was impossible to let them leave the farm. If they did, it would be the same as padlocking the barn after the horse was stolen. That is the way it went, and that is the way it is now.

The season now is very late; it is late at home in my county. The weather has been disastrous in some places and we do not know what the future will be. Last year we had a fine crop, it is true, but we cannot conclude that the same thing will happen this year. Is the crop of last year to be considered a standard crop for all time to come? It is impossible to reason in that way; it is all wrong. If God helped us last year, I hope He will help us again this year. I hope that Divine Providence will help the farmers and the population of this country generally this year as well as we were helped last year. But we must not count on probabilities. That is very dangerous. We must neglect nothing.

After the Minister of Agriculture had spoken as he did he asked: How can we, with a population of twelve millions, expect to feed China with a population of four hundred millions? That shows one thing, that the farmer must stay on the land and provide the food that is required for our own economy and for our armed forces and those of the allied nations.

The minister also said that we must thank the boys in the army that we are able to discuss matters freely in this House of Commons. When we compare the population of China or Great Britain or especially the United States with our own—and the United States has twelve times our population—we cannot expect, if we have the same number of men in the army, to go on producing as we have been. We cannot do everything in the whole world. The policy of the government, especially the policy of the Liberal party must be rationalized. It must take into consideration many elements that are vital for success. That is why I insist upon this. I speak very earnestly to the minister. I want him to do a good job. While I have argued the case of the farmers with the associate director of national selective service here in Ottawa, I wish to pay tribute to him and his representative in Quebec City. I went to a great deal of trouble precisely to prevent the agricultural industry from being destroyed through the activities of some over-zealous men who want to take the farmers into the army.

I hope, sir, that from now on, the Minister of Agriculture will look after his department and not intrude upon the war departments by speaking of matters which do not come under him. At the present time, strange as it seems, the Minister of Labour has more important functions than the Minister of Agriculture, because the former is the one who can tell the farmers what to do. He has the seniority of right and the seniority of duties over the Minister of Agriculture, and his colleague the Minister of Agriculture should understand this and should not take advantage of his position to serve as recruiting agent for any one of the war ministers. That is my humble view, and I give it with all sincerity and hoping to get results.

I trust that all hon. members who have been advocating the case of the farmer will stop saying, "We need more men in the army, and we want the farmer in the field." It cannot work. Conscription for overseas will never work, because then again some over-zealous bureaucrats will think they are obliged to satisfy all the requests that they receive from the national defence departments and will take from the farms men who are essential there, to put them in the army where they are not so essential. I will say more than that to the minister. Does he know that men who were defaulters and others who were deserters have been sentenced to eight, twelve and even fourteen months in the "clink?" What is the use of a farmer who reports to the army and is kept in the "clink?" He does not serve the army; he does not serve the farm, and he is a burden to the country, which has to pay for his maintenance. That man would be more useful on the farm than in the "clink." Some of these fellows say they must remain on their farms, and there are pitiful cases of men who, if they have not a legal excuse, have in equity a plausible explanation to give of what they have done. Besides that, according to the old saying, you catch more flies with honey than with vinegar. I ask the minister to think of that. He may turn down my suggestions; that is his right; but I tell him what I think of his present duties and I shall add that as a good Canadian I was insulted and my statements were deprecated simply because I was fighting for real national selective service a long time ago. I remember an hon. member from Toronto who told me I was a supporter of Hitler just because I

was defending the farmer. It was not my hon. friend from Broadview; it was a member on his side; he threw insults at me because I was doing my duty as a good Canadian and because I wanted this country to survive, as it will do if the minister accepts suggestions which come from those who know the bad condition of the farmers in the country.

Mr. MAYBANK: There are just two observations which arise in my mind from the remarks made by the hon. member for Témiscouata. I shall give them briefly. I have, more particularly toward the close of his remarks, been listening intently, when the hon. member was pointing out that persons are called into the army who become defaulters or who become deserters; and then, as he said, they get put in the "clink," and are of no use to agriculture and of no use to the army. They are of no use in any section of either civil or military society. I do not suppose that any person will quarrel with that statement. But surely it does not constitute any argument in favour of anything or against anything; it is just a collection of words, which are true enough but do not lead us anywhere. I could always make that statement with reference to any criminal who is put in gaol. He is of no use to the country when he is in prison; you can only put him to picking rope or something like that, but you have lost him to the community. But, sir, that would be no reason whatever for wiping off the statute books the criminal code or for disbanding the police force, or for, in general, abandoning our ordered state of society in favour of chaos. I am quite sure that the hon. member for Témiscouata, when he thinks the matter over, will realize that when he has said that a man in the "clink" is no good as a farmer he has spoken that which is true, but which just does not mean anything, does not add up to anything of any importance. I am quite sure he will agree with that statement.

The other comment which occurs to me with reference to what the hon. gentleman said about putting people on the farm and keeping them there, is this. I quite understand, even though I do not follow agricultural pursuits but am strictly a city man, the importance of agriculture; I think every person does. But there do come times on farms when those who are working the farms have to make up their minds whether they will go a distance away from the homestead to put out a prairie fire, or perchance a forest fire, which is coming in their direction. After all, that is the sort of decision which has to be made in this country to-day. No person denies the importance of agriculture; indeed I should imagine that a group of men would almost vie with each other, were they to converse together, in emphasizing its importance. But this government, and the minister charged with the particular duties which we are now examining, are charged with the responsibility of deciding when one shall go to put out the prairie fire or the forest fire, and who it shall be that shall go.

I believe that almost any person can rise in his place in this chamber and make a strong plea for some particular industry as against certain others, and can criticize in its every aspect that which the government and the minister have been doing. But it seems to me, sir, that when one is considering whether or not the boys should be left back on the farm, due regard should be had to all the other needs of the country and, indeed, of the world. I submit in all kindliness that the hon. member for Témiscouata has not been taking that broad view; indeed, I doubt very much if he could have spoken with all the emphasis he used to-night if he had been taking a broad view of the problem, because that problem is so vast, so difficult, and so complicated that one can only express opinions upon it with great humility and with very much more uncertainty than the hon. gentleman has displayed this evening.

Now I really rose to make a few remarks with reference to the selective service problem generally and to turn after a moment or two to a particular matter connected with coal mining, coal delivery and so forth; and to lay before the committee a few facts that may be dealt with by the minister in due course. In the first place, I would say that what some rather ill-natured journals are pleased to call the "man-power muddle" cannot after all, in a country such as this, be quite so great a muddle as these journals would claim when the achievements of the dominion are such as they have been.

Again, I do not suppose there is a member of this chamber who has not damned the selective service, the minister in charge of it and all connected with it. I do not suppose there is a member of the ministry who has not criticized the selective service set-up. Every person in that very department has, no doubt, done the same. I should not be at all surprised if the minister holds cabinet meetings with himself and complains about the way the departmental work goes on. I know that everyone to whom I have spoken has, at some time or other, complained with reference to this organization; yet most people with whom I speak outside do end their criticisms by admitting that this is one of the most difficult of tasks, one of the most thorny problems in government to-day; and I do find, in spite

of criticism, that there is a good deal more fairness on the part of the public at large than I sometimes find among my own confreres in this chamber. It is because of the way in which people speak to me about the selective service problem, that I have, myself, been less inclined to anger sometimes when I have found something wrong.

After all, I do not think anyone will deny that the country generally has turned in a really good performance among the nations of the world over these war years; and, certainly, that could not have occurred if there had been quite such a man-power muddle as asserted by these various journals.

In the second place, I suggest that a person should be more restrained in criticism, because I have very deeply within me the impression that there is hardly anyone in this chamber, and very few people connected with the government at all, who at some stage or another have not made requests that such and such a regulation be not enforced with respect to so-and-so. I have not yet spoken to anyone who did not admit that at some stage he had approached the department and had asked either that John Doe be not pushed somewhere, or that he should be put somewhere, or that some sort of favour should be given.

Every person seems to want a variation in the rules and regulations to fit a particular case in which he has some interest, and of course all that sort of thing adds to the difficulties of the work. I do not doubt that a very large number of us would be willing to plead guilty to having requested some sort of favour which, added to all the others which have been sought, makes for a greater difficulty in this department's work. I have even been informed—not by someone in the department—that the government's chief critic in Canada, the *Globe and Mail* of Toronto, has actually asked for some such favours.

Now may I lay before the minister some facts that have been presented to me by persons who are keenly interested in the problem of coal mining. There are a number of western mines that have their offices in the Winnipeg area, and whenever I am in touch with people connected with this business, they naturally speak of their difficulties. I have in my hand a memorandum on the matter, but I shall not read it in its entirety, for that is hardly necessary. The memorandum refers to a pretty fair sized mine in the Edmonton neighbourhood. I would not be interested in giving the facts about this mine if it were just a particular case, but it is by reason of the fact that I have been assured—

Mr. MITCHELL: What is the date of the memorandum?

[Mr. Maybank.]

Mr. MAYBANK: It is dated a month or two back. I would not be making any remark about this at all, were it not for the fact that I have been assured, both by the person who gave it to me and by several others, that it is a typical case. Again, my reason for mentioning it is chiefly to lay before the ministry a suggestion which it contains and to make one other that has occurred to me.

The maker of the memorandum is telling me about a certain mine—I do not suppose one would call it a large mine—where there are fifty-seven miners and fifty-four non-miners. In the first place I would mention his statement relating to absenteeism over a two-week period. Over a two-week period we find that out of fifty-three miners there were sixteen who worked fourteen shifts; ten that missed one shift; seven that missed two; four that missed three; three that missed four; one that missed five; two that missed six; three that missed seven; three that missed eight; one that missed ten; two that missed eleven, and one that missed twelve.

Of course the question of absenteeism is not directly a matter of man-placement in the sense that it is dealt with in selective service, but there at any rate is a problem facing this particular industry, and the reason that most people give for absenteeism is one that would have to be dealt with, not so much by the Minister of Labour, as by the Minister of Finance and his faithful colleague, the man who collects the money for him, the Minister of National Revenue. At any rate most of the people who lose a number of shifts say that they are missing them because they do not actually get the money after they earn it. That is, it is an income tax problem. I do not know personally how true that is; but there would appear to be something in it. I find already about the country a certain amount of tax evasion is going on, and in some places there is a refusal to earn income because taxes are so heavy. Undoubtedly, in spite of the esprit de corps in the country, that sort of thing is going on. But whether or not that is the real explanation of the type of absenteeism mentioned here, I cannot say with certainty. It does seem to me, however, to play some part.

My informant recites a great many other difficulties in connection with mining operations, besides absenteeism, pointing out that in order to have fifty-three miners at work there have been employed, over the year, no less than 230 men; and that, at the end of the last winter season there was a straight personnel loss of thirty per cent. After detailing such difficulties, and giving the figures on absenteeism which I have mentioned, he

makes some suggestions with a view to correcting the situation faced in his mine field. As I indicated a little while ago, he is one who admits quite freely that it is an extremely difficult thing to do. But he points out that a considerable number of miners are lost to his mine by reason of the fact that they are what might be termed farmer-miners. Supposing that is true, that is, that they leave their mines and go to their farms, and supposing a considerable number of them do that sort of thing—and he states it to be so—I should like to ask the minister whether or not he has ever considered closing up that type of small industry. It is often a sort of combination of farm and mine. Many of these men have little mines of their own on their farms, and they dig a little coal and do a little mining. I do not suggest that there should be any ruthless closing up, by the appointment of some controller who would say, "Do not do this." I do not mean to suggest approaching this from a negative point of view. But I wonder if it has been considered that it might be worth while to buy out these small industries upon the condition that the men who are working these "coyote holes"—I believe that is what they are called—would go to work in one of the larger mines where, as the result of the proper division of labour and the general technological development in industry their hands could turn out more coal than is possible for them to turn out from the little mine. That is one suggestion I would ask the minister to consider.

Then, there is another suggestion—and I think we must come to adopt something like it. Persons who work at extremely uncongenial types of work have to be given some incentive. After all, in other sections of our economy we have recognized that sometimes we must provide an incentive to get a job done. We have had to encourage certain industrialists at times. And quite the right course was followed in that respect. For instance, we could not ask the ABC company to make such and such an investment, because if it did, it would be stuck with a useless plant at the end of the war. Therefore we gave them an incentive by way of accelerated depreciation, or something of that kind. In a variety of ways we have given incentives at times, in the Canadian economy.

I think, sir, we have to come down to the fact that such uncongenial work as coal mining must be specially stimulated by some incentive, if we are to have it done successfully. I know I have done many different kinds of hard work, dirty work, and uncongenial work in my time. But I remember that even when I was shovelling gravel on railway grades I would sooner have been doing that work out in the open air than have been working in a coal mine; and my views in that respect are the same to-day as they were then. I think the man who mines the nation's coal has to be paid for it something over and above the ordinary rate that everybody else can get at other more congenial kinds of work.

I recognize the problems in this connection. If we start to open a hole in the ceiling we may get into all kinds of trouble. I realize that we must take account of that. And that thought leads me to offer this suggestion: Might it be possible to work out some kind of scheme whereby, instead of immediate additional payments, there could be a payment into a bank account, where the money would be blocked. We are well acquainted with the expression "blocked payments" in respect of banks. Why could we not have blocked payments of wages to men engaged in this sort of work? It might very well be that that would be extended into certain other lines besides mining, but I do, indeed, believe that it will be necessary to do something of the sort in order to have men in this country do certain kinds of work which are uncongenial, and yet are very necessary.

I go further than that and offer what ought to be considered a stronger reason, although unfortunately it is not usually so considered. That reason is that I think it is equitable. But one has to be a realist, and he must recognize the fact that merely advancing the argument of equity is insufficient. As a rule, simply to urge that such and such a thing ought to be done in justice and equity never gets one anywhere. I believe Shakespeare would have called it a "bootless" remark.

In any event, I think it is equitable in this particular case, and it will be absolutely necessary to find some kind of stimulant for getting these uncongenial, yet extremely necessary kinds of work done. Anything I have said, of course, has not been offered by way of criticism. I believe my manner in addressing the committee is sufficient evidence of that. It is not the fault of this government, nor is it the fault of the minister that we have absenteeism, and this difficulty in the mines. But we are going to have more of it, unless we find some way now, before the coal shortage, of dealing with it. The suggestions I have made may be helpful; I hope so. But if they be not adopted, then I do urge that some sort of stimulant policy, if I may so describe it, be adopted; because we cannot take chances on

coldness inside houses, and inoperative boilers and machinery in industry. We cannot take chances on that kind of thing in Canada this year; and I am sure the minister and all those connected with him must agree with this last statement.

Mr. NOSEWORTHY: I listened with a great deal of interest this afternoon to the hon. member for York-Sunbury (Mr. Hanson) as he expounded to us the present man-power policy of the now Progressive Conservative party. I had for some time tried to ascertain just what was the policy of that party, particularly since I had had ample opportunity of familiarizing myself with the man-power policy of that party in 1942. The erstwhile leader of that party, in his opening broadcast during the campaign in York South in 1942, clearly enunciated that policy, which concerned itself with little more than the conscription of man-power for overseas service. That was confirmed the following day in full-page advertisements in newspapers across this country, in which there appeared but one little phrase in one sentence in reference to the conscription of man-power, selective or otherwise, other than for overseas service. All through the early stages of that campaign that gentleman, who I presume was speaking for his party, emphasized the need for the conscription of man-power for overseas service. Only in the latter stages of the campaign did he concede that any other form of conscription might be necessary and then, by his own admission, only as a last gasp.

Mr. GRAYDON: On a point of order, Mr. Chairman, the hon. gentleman is making a charge against the previous leader of the Conservative party. My recollection is quite clear on this matter. I believe the hon. member is now repeating a statement which gained some publicity at the time, to the effect that only in the last gasp would some policy with respect to the mobilization of wealth be adopted. I speak from recollection, but I believe that statement was denied by the then leader of the party, and now, in attempting to flog a dead horse, my hon. friend is not doing himself justice.

Mr. NOSEWORTHY: I fail to see any point of order, Mr. Chairman. An attempt was made to show that the statement was not in accordance with the facts; but if my recollection serves me well, as I think it does, no evidence was ever submitted to prove conclusively that the statement was not made.

Mr. GRAYDON: Did not Mr. Meighen himself deny it?

[Mr. Maybank.]

Mr. NOSEWORTHY: On certain conditions.

Mr. GRAYDON: Of course he denied it.

Mr. NOSEWORTHY: Not outright.

Mr. GRAYDON: Why does the hon. member try to drag that in now?

Mr. NOSEWORTHY: The hon. member for York-Sunbury never misses an opportunity in this house to deliver a jibe at the Cooperative Commonwealth Federation party, and I simply want to trace the twistings and turnings and improvisations of the Conservative party's man-power policy, as I have observed them.

Mr. GRAYDON: Well, stick to the facts, if you are going to do that.

Mr. NOSEWORTHY: My recollection of the debates that took place in this house last session, is that for the most part the members of the Conservative party who spoke on the question of man-power called for an all-out conscription of man-power for overseas service, and for little else. Only when they went to Winnipeg last summer did they erase the word "conscription" from their statement of policy; and I have not seen that word in their statement, nor have I heard them use the word, since that time. There has been criticism from the Conservative ranks of the government's farm policy, on the ground that the government was calling too many men from the farms. When the Minister of Munitions and Supply was before the committee he was criticized for allowing trained men in the aeroplane factories to be taken into the armed forces. To-day we heard a tirade against the government because they are not getting sufficient men into the army overseas.

I was interested in that exposition of the policy of the Conservative party. I think the hon. member for York-Sunbury made it amply clear this afternoon that, in his mind at least, the supreme effort, the greatest contribution Canada could make in this war, would be the creation of a large army overseas. He admitted, of course, that we were making a great contribution; he admitted that there were other calls upon Canada's man-power, but I think he made it quite clear that so far as he was concerned that was the outstanding contribution Canada could make. Last evening he attacked the attitude of the Cooperative Commonwealth Federation party toward the policy of sending an army overseas. I can certainly speak for myself, and I think I can speak for this group when I admit that we never at any time felt, as the hon. member for York-Sunbury apparently feels, that this was the way in which Canada could make her greatest contribution to the war effort. It was

and consistently has been, so far as I know, the policy of this party that Canada's man-power should be made available wherever it could be used to the best advantage in the cause for which we are fighting. Unlike a minority group in this country who still think of this war in terms of the war of 1914-18, who still think in terms of large armies, masses of infantry, as being the essential feature of our war effort, we felt that, on account of Canada's unique geographical position, on account of the extent of our natural resources, we were in a peculiar position to contribute to the war effort in fields other than that of the army. In view of the vastly greater armies that our allies can put into the field, we never felt that the size of Canada's army would be the vital, determining factor in the course of the war. We felt that Canada could make what would probably be a decisive contribution by supplying food to the armed forces, by utilizing to the full our industrial plants, and so on. We felt then, and I think time has shown that we were right, that on account of Canada's remoteness from the battlefield we were in a unique position to train young men for the air force, to provide our allies with ships and with men for the navy.

I am not suggesting for one moment that Canada should not have an army overseas.

Mr. GRAYDON: Your party said that before; that was your party's policy.

Mr. NOSEWORTHY: I am speaking now for myself. Since I became a member, the party has never at any time opposed the presence of a Canadian army overseas.

Mr. GRAYDON: The hon. member must be just a newcomer.

Mr. NOSEWORTHY: No one who knows the temper of the Canadian people; no one who has any knowledge of the Canadian people would for one moment believe that it would be possible for Great Britain and the empire to be engaged in a war and to keep Canadians out of the army.

Mr. GRAYDON: The hon. member's leader said that.

Mr. NOSEWORTHY: Our leader can defend himself on that point and give his own explanation. I am confident that no government in this country, whether it be Conservative, Liberal, Cooperative Commonwealth Federation, or any other, could possibly withstand the storm of public protest that would arise, should it be decided not to give Canadians an opportunity of serving in the army. Our point is that Canada's contribution will not of necessity be determined by the size of our armed forces. The hon. member for York-Sunbury expressed concern as to whether or not we had sufficient recruits to reinforce the five divisions of the Canadian army that may be called to go overseas. I have grave doubts myself as to whether we have sufficient reinforcements for that army. But my contention is that it is not a question of whether we send one or two divisions more or less, that is likely to be the determining factor in winning the war; that will not be nearly as important as our contribution through our factories and especially our agricultural production.

I do not profess to have the knowledge possessed by the Minister of Agriculture (Mr. Gardiner); I do not profess to know the situation regarding agriculture across this country as well as he does, but I have travelled considerably in Ontario during the past six or eight months; I have talked to many farmers in this province, and I am satisfied that the policy now being followed by the government will not enable this province to maintain the production of farm products on the scale we have been producing in the past. I do not think anyone in this house doubts for one moment the importance of Canada's contribution to the food supplies of the allied nations during the war. It is important that we should maintain this food production during this war.

On June 3, I gave to this house numerous reports which had been made by the Ontario department of agriculture and by the dominion bureau of statistics, showing that present prospects are that there will be a decrease in Ontario's production of beef cattle, hogs, dairy products, sugar beets and other essential war foods. If we are to maintain this production which is one of Canada's principal contributions to the war effort, which in my opinion will be a vital and determining factor in victory and in the post-war world, steps will have to be taken to see that no more experienced farmers are called from the farms of this country either into the army or into industry. Farms in this province have already been denuded of this help.

If our farmers are to be able to carry out the programme set for them by the Minister of Agriculture, I maintain that it becomes most essential that experienced men who are still on the farm be left there. I notice that an official of the selective service branch in Ottawa when speaking in Hamilton on May 24 made the statement that 60,000 additional farm workers would be needed to obtain the entire quantities of farm products required for the coming year without making any allowance for farmers who are likely to be

called to the armed forces. Reliable authorities estimate that Canadian farms need at least 100,000 workers.

Mr. MITCHELL: Would my hon. friend give me the source of that figure?

Mr. NOSEWORTHY: The 60,000 figure was given by—

Mr. MITCHELL: I am talking about the other. Does my hon. friend know that we put 53,000 additional workers on the farms of Ontario last summer? I should like the source of the statement with regard to the 100,000 additional workers.

Mr. NOSEWORTHY: I have heard that from leaders of farm organizations.

Mr. MITCHELL: Who are they?

Mr. NOSEWORTHY: They stated that in their judgment there are needed on the farms of Canada at least 100,000 workers. The minister may have more definite information and may be able to assure us that that is not the situation.

Mr. MITCHELL: Could my hon. friend give me the name of any leader who said that?

Mr. NOSEWORTHY: I prefer not. Unless selective service can deliver at least 50,000 or 60,000 men to the farms of this country, other steps will have to be taken to provide this number of farm help. I suggest, as has been suggested by other members of this house, that if selective service is not able to deliver the required number of workers to the farms of Ontario, arrangements should be made to grant long leaves to experienced farmers who now make up a part of this army of 60,000 or 70,000 men which constitutes our home defence army. Some such plan is needed. Some definite steps are required in order to enable the farmers of this country to deliver the production they are being asked to deliver. If our agricultural workers are to make their contribution, not only must the problem of help be solved, but some way must be found to enable the farmer to pay his help wages which are to some extent commensurate with those which could be earned in other fields of industry. That, I suggest, will have to be done either by enabling the farmer to secure prices for his products which will enable him to compete with industry in securing help, or the government will have to do in the case of the farmer as it does for Imperial Oil and other oil companies in this country, namely, subsidize farm help just as it has subsidized gasoline and other industrial products.

Mr. GRAYDON: I have a few questions to ask the minister with respect to national selective service, but first I would say to my hon. friend who has just sat down that if it were not for the profound pity I have for him because of the line of argument he followed in his remarks, I would be disposed to take a few minutes to set him right. I think we owe it to this committee that we should at least be fair with respect to what has happened in the past. I was sorry, because I have had a high regard for the hon. member and still have although he has made a mistake, to raise the question as he did to-night, in order to reflect upon a very great Canadian who has been rendering service as he sees best in our national life. When my hon. friend talks of twistings and turnings of policies I think the committee will agree that his group must be regarded as speaking with the voice of experience in such matters, for I think no one could follow the devious course which has been followed by that group since the war began and before. But I do not wish to weary the committee at this stage of the debate by detailing the various shifts and changes that have been made by these hon. gentlemen. It would take too long, and I doubt whether it would be profitable to the committee or to the country as a whole, so that I will leave it at that.

It seems to me from the notes I took this afternoon of the speech made by the Minister of Agriculture that either he or the Minister of Labour must have his facts confused. I have not had an opportunity of perusing *Hansard,* but I think my notes are reasonably correct. I understood the Minister of Agriculture to say that when the second call was made last year, all those who had not registered in 1940, about 144,000, turned up and registered. I think the Minister of Agriculture must have had the issues somewhat confused in his own mind. I think it is only proper that I should attempt to put the record straight, and it is particularly for that reason that I rise now. Surely the Minister of Agriculture was incorrect when he spoke of 144,000 having turned up of those who had not registered in 1940, because in the Minister of Labour's own statement as reported at page 3946 of *Hansard,* these 144,973 men are described as follows:

> This past winter we required all single men to report who had failed to receive or acknowledge their notices of medical examination, or to present themselves for medical examination. We announced an amnesty to those who complied as required by March 15. This resulted in 144,973 men re-registering.

Mr. MITCHELL: That is correct.

Mr. GRAYDON: I am glad to have the minister's confirmation on that.

Mr. MITCHELL: I think it was just a slip of the tongue on the part of the Minister of Agriculture when he said it was a second call. I do not think it was deliberate. There have been a good many calls.

Mr. GRAYDON: I was not attempting to attribute anything deliberate on the part of the Minister of Agriculture. I simply wanted to get the record straight, because we have had so many figures on the man-power situation that we are inclined to view every fresh figure with a little suspicion on account of the careless manner in which they are sometimes presented, and obviously the statements by the Minister of Agriculture and the Minister of Labour did not jibe.

I dealt with the general question of national selective service at some length in the remarks I made at the opening of this discussion, and I have no desire to traverse the same ground again. But there are some points on which I should like some further information. When Mr. Elliott Little resigned in November, 1942, there was a large exodus out of the department of men who had filled rather important positions under the then director of national service; and having in mind that there was at that time a change of control in national selective service, it seems to me that we should have some explanation of this exodus, I will not call it a mass migration, but there was a migration of at least from sixteen to nineteen men who left the service, following Mr. Little's resignation. A number of these men had gained some prominence in newspaper reports from time to time. One was Dr. Couper, who resigned or was transferred under circumstances previously explained by the minister so that I shall not deal with that at the moment. But I wish to point out to the minister that in a return which was brought down to the house as sessional paper No. 400 on Wednesday, June 16, 1943, I find a copy of all letters, telegrams and other communications which passed between Goldwin Smith, who had been brought here from the United States as assistant to C. F. Needham, assistant director, civilian, national selective service, and the minister or the Department of Labour. The correspondence is rather interesting. I shall not go into it in great detail, but I cite this document as evidence on the point I am making as to the position in which national selective service finds itself. True, it is not always possible to gain a sufficient footing in a department to find out exactly what is going on. Therefore, I suppose, hon. members generally have to deal with the evidence as it is produced in cases such as this. I will read to the committee what Mr. Goldwin Smith said in his letter of April 19, 1943, after a number of pleasant letters had passed between him and the deputy minister of labour. On April 19 he writes to Mr. MacNamara, the deputy minister, as follows:

> Thank you for your kind letter of this afternoon. My resignation was the result—

May I point this out, that Mr. Goldwin Smith was an unusually intelligent employee, of high standing.

Mr. MITCHELL: Who said that? Did he say that?

Mr. GRAYDON: He did not say it.

Mr. MITCHELL: That he was a highly intelligent employee of the department?

Mr. GRAYDON: Well, is the minister saying it?

Mr. MITCHELL: I have my own personal opinion.

Mr. GRAYDON: If the minister is not going to deny the statement I will let it stand at that. I notice the minister is rather hesitant, so that I imagine we will let it stand at that.

Mr. MITCHELL: I am taking the hon. gentleman's word for it.

Mr. GRAYDON: This man is very modest, but certainly, as his letter will show, he indicated in no uncertain terms what he thought national selective service was doing. He said:

> My resignation was the result of a sober and increasing conviction that the work I do is of relatively minor value in the war effort.
> Six weeks ago Mr. Caloren—

Who is apparently one of the senior officials of the department.

> —persuaded me to delay my departure. Since that time I have continued to be a rather ineffectual angel in the corridors, my duties undefined, my responsibilities unspecified. I do not earn my salary, even though I came to national selective service aware that my financial position would be far from strengthened. It is a situation in which I cannot be content.

These are matters which throw at least some light, I think, upon the position one finds in connection with national selective service itself. I would point out that the correspondence shows clearly that the department itself did not view Mr. Goldwin Smith in any suspicious light, as the minister's rather hesitant remarks a few moments ago would seem to do. I should like the minister to give me information, though I do not ask him to do so at the moment, as to the number of these men who have resigned from the department or have been transferred since the resignation of

Elliott Little in November, 1942. I wish the minister would be good enough at his leisure or at the earliest possible moment to table the corresponence dealing with the resignations of these sixteen or nineteen officials. I believe what I said before with respect to national selective service will be fairly well borne out by the evidence these documents will afford the committee.

One other matter I wish to deal with is the question of the enforcement of the regulations of national selective service. It is one thing to have regulations on paper, and another thing to have them enforced. Regulations without enforcement are not of much use. My information is that the chief enforcement officer, whose name I have forgotten for the moment, has left the department.

Mr. MITCHELL: Walsh?

Mr. GRAYDON: I think the name is Mr. Austin Wright.

Mr. MITCHELL: He is not with us any more.

Mr. GRAYDON: No; I know he is not. I should like to know whether or not he has been replaced, and why he left a position in national selective service. Also—and I suggest that the minister's parliamentary assistant or someone else make a note of these items, because I do not ask the minister to answer them all at the moment, as I want to get on with the business of the committee—I should like to know how many prosecutions have been launched with respect to enforcement of national service regulations.

There are one or two other matters which, I think, are also important. So far as the local offices are concerned, I realize that what the minister said when he made his speech the other day, in reply to something I had said was quite true, that no one wants to direct unfair criticism against these local officials; criticisms based on the government's policy should be shouldered, not by them, but by the government. The minister clearly and quite properly pointed out to-day that these men and women who are attempting to do their jobs in the local offices of national selective service are doing so under obvious difficulties, through lack of training and experience. The minister in effect said, "What can you expect in six months?" But the point is that we should not at this time have amateurs in these posts. The time is long past since the question of national selective service was first broached by the government, and particularly by the Prime Minister. The main criticism that most people aver against national selective service as an institution is that it was much too slow in getting into operation. It was not, and is not now capable of competently handling mass transfers from time to time, which it is so essential in the national interest that it should handle.

Someone, I am not sure whether it was the Minister of Agriculture or the Minister of Labour, made reference to-day to the question of special permits. I fancy he was referring to special permits with respect to agriculture. That opens up this particular subject: Once a special permit is given to a man who is leaving a farm for some other industry, what check has national selective service upon the return of that man to his original line of occupation? I will not say the minister is not frank about these things. He is, as far as his knowledge goes. But I should like him to tell the committee whether there is any possibility with the present national selective service machinery of any check as to whether these men ever return to their original occupations.

I understand, too, that there is a system of open permits, which are almost like blank cheques. When a man comes into a selective service office and is handed one of these blank permits, when and how are these permits checked off and records of them made? Once an open permit gets into the hands of an employee who is seeking a job, it then rests with the employer who finally hires him to send that open permit back to the selective service office where it belongs. But the check is, in my opinion, a very loose one, and one as to which I should like some explanation from the minister when he comes to make a reply to the various matters I have raised.

I should have liked to ask a number of other questions, but I do not wish to go into the subject in any further detail at the moment.

Mr. MITCHELL: I will try to be as brief as I can. I think I can now answer most of the questions my hon. friend has put to me.

With regard to the question of resignations, I am not concerned about an individual who probably should have been, if the terms of his letter have any basis in fact, a playwright rather than an executive. But hon. gentlemen will appreciate this, that when you get an organization of 7,000 people, a dozen resignations are not of any great consequence, particularly when you are in the process of building that organization. It is the easiest thing in the world to resign from a position when the job is difficult.

Mr. GOLDING: Running out when the going is tough.

Mr. GRAYDON: Did my hon. friend say something about running out? I do not know whether I heard him or not—he was whispering pretty loud—but I thought I heard him say something about running out. On that point, may I say that the sessional paper filed will show whether he ran out or not, because the deputy minister himself said:

> We sincerely regret we are unable to assist you in this matter.

He is writing to the coal administrator.

> However, Doctor Smith's background and recent experience particularly qualify him for the position which he will be assuming immediately with this department.

Mr. GOLDING: I hope the hon. member is satisfied now.

Mr. MITCHELL: I know the hon. member will agree with me that in my position as minister I cannot go into all the ramifications of the organization; but this might be truthfully said about the individual referred to, that he was offered a position of some responsibility and he did not stay with the ship. Let us be frank and honest about the matter. When my hon. friend speaks about experts in selective service, it may be said that prior to the outbreak of the war, or prior to a year ago, there were very few persons whom one might term experts in selective service. So far as the north American continent is concerned, the direction of human beings as free people is a virgin field. Let me say, however, frankly that notwithstanding all the criticism, I think our people have in a very large measure lived up to their responsibilities. I have been in countries where dictatorships have existed, where a man had to have a card with his finger-prints on it, his photograph and signature, and even under such conditions—I speak of course merely from observation, having had some experience in travelling in many countries—I believe that our people generally have done a better job than the people in the dictator countries. And they are doing just as good a job as the people in Great Britain.

My hon. friend speaks of permanence in the system we have for placing these various classes in industry and commerce within the compulsory orders. It is fundamental and axiomatic that you cannot overload the machine too soon. This machine has been taking care of the placement of nearly a million and a half people in the last year, and placements on a voluntary basis can be much more easily undertaken than when you have to give direction. I hope it will be said, I am sure it will be said when this war is over, that we have the same basis of voluntary movement as they have in Great Britain in proportion to the number of people moved. As time goes on, I look for an increase in the tempo of these compulsory orders. I think that is inevitable under present circumstances.

Might I say in passing that last night when I said that we were getting to the bottom of the keg, I meant it in the sense that it affects the age groups that we have already called up for military service, and my hon. friend will agree with me that when there has been the tremendous expansion which we have had in industry, where at the outbreak of the war we had to all intents and purposes no shipbuilding industry at all, whereas to-day we have over 100,000 people engaged in that activity, and in the production of aeroplanes, guns and all those necessities, it is inevitable that we shall have difficulties with labour supply. We shall have the same kind of difficulties they are experiencing in Great Britain and at the moment in the United States, as well as in New Zealand, Australia and South Africa. But I am not afraid of our people; I am not afraid of production on the farm front. Given the right kind of weather, I think our farmers will produce as much as they did last year and probably more; but I wish to give this warning, that I shall not be held responsible for the weather by the opposition or by anyone on the government side.

Mr. GRAYDON: You have exonerated yourself on that score before.

Mr. MITCHELL: I want to make it clear. There are one or two spots that are very difficult and grave. I hope, in the course of the next two or three days, to have something to say about coal. Of all problems confronting my department, that is the most important and vital in Canada. One can cut down on the family table, but one has to keep warm; and as I said the other evening, when you reflect that this nation is not self-supporting in regard to coal but is on an import basis, the situation will be realized. This year we have to import, in addition to our own production, 23,000,000 tons of coal. That is a lot of coal. No one can predict what will be the condition in the coal industry in the United States, and I think we might very well assume that if they run into difficulties to the south of us the supply of this country will, in the very nature of things, have to suffer. That is why I would plead with everyone in this house, whether he be a trade unionist, a miner or an employer, having some influence on coal production in Canada, that he lend every effort to see that coal production is not only maintained but increased.

Compulsory direction of men in the industry is not received with favour in some quarters; but I feel sure, that, taking the over-all view, the miners themselves, those having previous experience in the mines, will cooperate with this government and, may I add, with this parliament, because it may be said that there is a unanimous opinion in this parliament as to the gravity of the situation and as to the policies that have been put into effect by the government.

Mr. BLACKMORE: Has the government tried the device of increasing remuneration as a reward for men going back to the mines?

Mr. MITCHELL: That, of course, is not the duty of the government but of the national war labour board.

Mr. BLACKMORE: Are they doing it?

Mr. MITCHELL: I do not think this is the place, nor am I the person, in view of the establishment and the functioning of the war labour board, to express an opinion one way or the other.

Mr. BLACKMORE: I did not ask for an opinion; I asked for a statement of fact.

Mr. MITCHELL: I think both the men and the employees understand the situation well. And if either one side or the other feels that these increases are justified in the near future, they will make some representations to the national war labour board.

Mr. BLACKMORE: The trouble is they might take too long.

Mr. HANSELL: And freeze in the meantime.

Mr. MITCHELL: I do not think anything could be easier to say than what my hon. friend has said. That is the easiest thing in the world to say. I say to my hon. friend I do not think this government can be criticized with respect to the steps it took last winter in connection with the coal industry in Canada. There was no lack of decision on the part of the government.

I did not intend to speak at length, but in passing I wished to bring this coal question to the attention of the committee. As I say, I expect to make a statement in the course of the next two or three days on the subject. I believe I have answered nearly all the questions asked.

Mr. GRAYDON: Perhaps the minister might answer the question with respect to the number of men in the department who have resigned.

Mr. MITCHELL: Seventeen out of seven thousand.

[Mr. Mitchell.]

Mr. GRAYDON: Would the minister give the names of those persons? If he has not them now, he may put them on *Hansard*.

Mr. MITCHELL: Does the hon. member wish to have them on *Hansard*?

Mr. GRAYDON: I should like to have them on record.

Mr. MITCHELL: I shall be glad to do that, then.

Another question had to do with those returned to agriculture, who were engaged in industry in the off seasons. I believe the committee will agree that it would be a waste of man-power if we did not move people off the farms during the winter months. In my statement the other evening I put on record the number of men going from agriculture into industry, lumbering, base metals and mining. Those permits expired on a certain date. An employer cannot hold them after that date. I am frank to admit that there were one or two who got under the barrier, but that is inevitable in handling tens of thousands of men. In a big and general way, however, while we gave some extensions this spring on account of the lateness of the season, we are confident that all the men who were given permits last winter at the conclusion of the farming season have returned to agriculture. What we have endeavoured to do is to intensify that swing between agriculture on the one hand and primary industries on the other.

Then, there is another point. We permit farmers to leave agriculture for sixty days without permits. As my hon. friends know, that is done more particularly in western Canada. In that part of the dominion there is a great deal of work between seeding and harvesting which is generally undertaken by farmers. I refer to work on the railways and roadbuilding generally. That is the reason why that regulation was incorporated in the selective service regulations, and we find it has worked fairly well.

Then, in respect of open permits, a man is given the open permit and finds a job. Once he has located that job he must report to the selective service office. He then obtains the ordinary permit given to people who go to work. The check is that he has to pick up his insurance book. So that it is comparatively easy to control the issuance of these permits, because a man must pick up his insurance book as soon as he starts to work.

Mr. BLACKMORE: All through the consideration of the war appropriation measure I have refrained from speaking to any great extent. I have felt that the war appropriation was money parliament was granting so

that the government might go on with the war. My judgment is that we should have granted the money to the government, so that it could go on with the war, without so much talk about it. There will be plenty of opportunity for every hon. member to say all he wishes to say when the departmental estimates are before the committee. That is my own opinion in the matter.

Therefore I have said very little up to the present time, all through these weary weeks of talking and talking with respect to the war appropriation bill. The government has to have the money. It is essential to the prosecution of the war, so why not give it to them, and go on with other matters?

Perhaps, however, I should on this occasion make one or two observations. I believe the minister is struggling with a very difficult task, and so far as I can judge, and with my limited knowledge of the details of his difficulties, he is doing as well as a man could be expected to do under the circumstances.

Although he has endeavoured to clarify the whole situation with respect to selective service, I find that throughout the rank and file of the people everywhere there exists boundless confusion concerning regulations with respect to selective service. The average farmer is just bewildered by reason of the statements which are made. I believe the time has come—and very likely the minister fully agrees with me—for a frank, honest, open, clear and detailed statement of the whole selective service situation. When the Prime Minister on March 23, 1942, I believe it was, issued a statement to the effect that farmers were not to be taken off the land, people on the farms took it for granted he meant what he said. It never dawned on them that back behind the curtains there had been issued an order to the effect that probably a given number of thousands had to be taken out of a given province, whether they came off the farms, or whether they did not. I say any action of that kind was not playing fair with the people. It is just a cheap, base kind of trickery or treachery or double dealing. The ordinary man on the street, where I have been, feels just that way about those regulations as a whole. The minister is not to blame for them, but clarification would certainly be the remedy.

I received a letter from a farmer in my constituency, a very well-educated farmer, and one who showed good reasoning powers. He said, "When the statement was made that the boys were not going to be taken off the farms I assumed my boy was not going to be taken off my farm, and I invested in so many cattle, so many hogs and some other types of stock. I opened up on a rather extensive scale on my farming activities for 1943. And now, behold, right out of the blue, my boy is taken away; and all the efforts I can put forth will not prevent it. So, if the government is intending to take boys like that, surely a man has a right to be told about it." It is the mere fact that this man was not told which makes the situation so unfair as to constitute a betrayal.

We are giving consideration to industry along these lines. When men put money into industry the government has taken commendable care to try to help them avoid losing their money. Those men are given safeguards and guarantees, and that is the only way to build up the confidence of men who have money to invest. The same applies to farmers. If a farmer is to spend money on the purchase of good cows and good stock of various kinds, he must invest what for him is a large sum of money, and surely he is entitled to protection. This is just one way in which protection has not been given to him. I say it constitutes rather cheap double dealing, and I suggest at the earliest possible date the minister should clarify the whole situation, so that everybody will understand. That is one example.

We have heard a good deal in regard to a man being essential to agriculture. What is the meaning of that phrase, "essential to agriculture"? I do not believe any man can define what it means to be essential to agriculture. The board is left to form its own interpretation of the meaning of those words. A man who is running a farm may think his boy is essential to agriculture. The boy may think so; they may establish it to their own complete satisfaction and the satisfaction of the people around them; yet the board may not feel that this boy is essential to agriculture. That is just one example, one illustration of why clarification is necessary.

Let me give another illustration, and I have had cases of this kind brought to my attention. Supposing a man depends upon his son, nineteen or twenty years old, to run the tractor on the farm. That man simply cannot operate the tractor himself and cannot employ anyone else to operate it. A tractor is an expensive piece of machinery; it cannot be trusted to anyone who is irresponsible. Suppose that boy, after all the tractor work is done and the other hard work is finished in the fall, accepts a job teaching school, as a result of the persuasion of the school inspector, because of the very great shortage of school teachers that exists in many districts. He teaches for a few months

in the winter, when there is very little work to be done on the farm; then a policeman comes round and investigates the case and says, "This boy taught school for several months during the year; he is not essential to agriculture." Is that not enough to show the need for clarification? If a boy is essential to agriculture, certainly some sort of score card should be made out under which the boy would be able to qualify, and if he can forfeit his eligibility there should be terms laid down under which that might occur.

I think I need not say more; I have just laid down in a general way the need for clarification. I believe the same need exists in connection with labouring men throughout the country, but I shall have more to say about this later on. I want the minister to understand that I do not intend to indulge in any carping criticism of a man who is working under very great difficulties; I am merely offering these as suggestions.

Before I take my seat, however, I will say that in my judgment there is somebody behind the scenes over whom the minister has no control whatever, who is laying down a policy which is not what the minister feels it should be. I believe the minister is called upon to put into operation a policy which someone else is drawing up, which causes him great difficulty in carrying out his task. I want him to know that I appreciate that this sort of thing really exists, and I believe before we get done with this part of our work this year, we should find out who it is behind the minister or over in some other department who is having so much to do with the policy which so vitally affects the work of the minister.

Mr. CASTLEDEN: Would the minister answer the questions I asked?

Mr. MITCHELL: I have the figures for which my hon. friend asked if he would like them now.

Mr. CASTLEDEN: While the minister is giving those figures, would he also give us a short break-down of this amount of $8,680,225 which has been passed under this item?

Mr. MITCHELL: Would my hon. friend like a copy of it? It is quite extensive.

Mr. CASTLEDEN: If it goes on the record it will be all right.

Mr. MITCHELL: Then, with the permission of the committee, I would put it on the record.

Mr. CASTLEDEN: That will be satisfactory.

[Mr. Blackmore.]

The CHAIRMAN: By leave of the committee.

Mr. MITCHELL: The break-down is as follows:

National selective service programme	$8,680,225
Labour supply	
Salaries	$ 342,375
Cost-of-living bonus	21,000
Advertising	150,000
Printing and stationery	40,000
Communication services	10,500
Travelling expenses and living allowances	50,000
Sundries	7,500
	$ 621,375
Mobilization	
Salaries	$ 861,500
Fees and allowances	90,000
Cost-of-living bonus	112,000
Unemployment insurance	15,000
Travelling expenses	40,000
Printing and stationery	175,000
Transportation of recruits	215,000
Meals—recruits	30,000
Lodging—recruits	7,000
Medical examinations	720,000
Miscellaneous	47,500
	$2,313,000
Unemployment insurance commission	
To meet expenses in connection with national selective service work performed by the unemployment insurance commission	$5,375,150
Man-power records and national registration	
Salaries	$ 293,860
Cost-of-living bonus	48,140
Printing and stationery, equipment and supplies	20,000
Travelling expenses	500
Communication services	100
Cartage, freight, express	1,500
Machine rentals	6,500
Miscellaneous	100
	$ 370,700

Then the figures for which my hon. friend asked last night are as follows: In the period from March 12, 1942, to May 21, 1943, there were 17,208 requests for postponements of agricultural workers in Saskatchewan. Of these, 12,380, or 71·9 per cent, were granted, and 4,828, or 28·1 per cent, were rejected.

Mr. CASTLEDEN: Is there a shortage of farm labour in Saskatchewan at the present time?

Mr. MITCHELL: No, according to the information I am given.

Mr. CASTLEDEN: There is no shortage?

Mr. MITCHELL: No general shortage.

Mr. CASTLEDEN: At a recent dairy convention held in the city of Saskatoon an attempt was made to find a solution of what they termed the increasingly difficult labour situation on the dairy farms of Saskatchewan, and the delegates passed a resolution in regard to that matter. I noticed that at the same time the department was expected to move 1,000 workers from Saskatchewan to Ontario for some seasonal employment on Ontario farms, and I wondered what the situation was, because my information was that a serious farm labour shortage existed in Saskatchewan. The other question I wanted to ask was whether schoolteachers as such are granted exemptions if they ask for them?

Mr. MITCHELL: No. Perhaps I might answer my hon. friend's other question, with regard to a labour shortage. I said there was no general shortage. Of course it is quite possible that there may be a shortage of labour on the dairy farms; I think that is pretty general throughout Canada, but when I said there was no general shortage I had regard to the whole picture, not to any special branch of the industry.

Mr. CASTLEDEN: I had a case brought to my attention, of a man who was granted postponement on condition that he would move from his farm to another farm. He has been told to report to the employment office at Yorkton, which means that he must travel a distance of 130 miles. Is anything done in regard to that man's transportation, or does he have to go there as ordered at his own expense?

Mr. MITCHELL: We pay the cost of transportation from the employment office to the job.

Mr. CASTLEDEN: This man has to go from his home, which is at Hudson Bay Junction, to Yorkton to report, a matter of about 130 miles.

Mr. MITCHELL: He can report to the office by mail, of course.

Mr. CASTLEDEN: If he takes a job in the vicinity of Yorkton, does he have to pay his own fare to that job?

Mr. MITCHELL: This particular kind of transfer is new to me, but under the circumstances I should say that we would pay that man's transportation.

Mr. CASTLEDEN: I trust that will be so. There is one other field about which I should like to inquire, namely, the men who are in our prisons. In the United States men of this kind are being employed in munitions works and they have done remarkably well. In addition, I think there are certain types of men in our prisons at the present time who might be used to good advantage in the army. Of course there are some types who could not be so used, but I advocate that research be carried on in order to see what supply of men might be available there. With regard to the matter of teachers, I should think throughout the whole dominion there must be a shortage. I notice that in one issue of the *Western Producer* there are advertisements for 200 teachers. That situation will have a serious effect upon this country. People in the fields of social service and teaching are rendering particularly valuable service. I believe we could learn something in this connection from the old country, and I hope the adviser the minister has secured from Britain will give him some pointers in these matters. The vital need for the social work of these people in war time is not yet recognized in this country.

Mr. HANSELL: I do not want to hold up the item at all, but we are asked to vote to his majesty over two and a half billion dollars, and in view of that huge amount of money I think hon. members have a perfect right to air their grievances here. The minister has ventured to mention the great problem of coal and the national emergency which exists at the present time, and I was glad to hear him say that he will soon make a comprehensive announcement in this connection. He made a little pass at me when I said we might freeze in the meantime, by saying that, of course, that was an easy thing to say.

Mr. MITCHELL: My hon. friend will not freeze at this time of the year.

Mr. HANSELL: We may not freeze at this time of the year, but it takes a long time to get coal out of the ground or to increase production when the machinery is wearing out. I am not going to argue that point. Twice in the last few days the minister has made a rather significant statement, something we have all known for years. He said that Canada is not on a self-sustaining basis as far as the production of coal is concerned; in other words, she cannot produce enough for her own needs. The strange thing is that within Canada is to be found fourteen per cent of the world's coal deposits. I am not laying any blame at the door of the minister, but I should like him to answer a question, although I really do not expect an answer. Why is it when we have fourteen per cent of the world's coal deposits we do not produce enough coal for our own needs? I know it will be said that we have not the best grade of anthracite coal in Canada, but we have good coal that

will burn and that will keep our industries going. With fourteen per cent of the world's coal deposits we were not able to keep our small population of twelve million people warm last winter and our industries are liable to break down this winter. I will tell the minister why we are not on a self-sustaining basis, and this is easy to say. It is because over the years we have had too much old-line party stupidity administering the affairs of this country. That is easy to say because it is true.

Mr. ROSS (Souris): Did I understand the minister to say that schoolteachers are not being granted postponements?

Mr. MITCHELL: They are in the same category as persons in industry. They would have to prove their cases before postponements would be granted. Of course the boards have been giving special consideration, but schoolteachers must make out a case for postponement before it is granted.

Mr. ROSS (Souris): There is a distinct shortage of teachers in the province from which I come, and I think the mobilization boards are seriously considering the matter.

Mr. MITCHELL: That is the reason why the order was issued the other day under my direction. In view of the representations which had been made by the various ministers of education, it was decided to move all teachers through selective service under direction. I do not think my hon. friend would want to go so far as to take them outside the realm of the call-up machinery.

Mr. ROSS (Souris): This afternoon the hon. member for Cape Breton South (Mr. Gillis) was trying to straighten out the hon. member for York-Sunbury (Mr. Hanson). The hon. member for York-Sunbury does not need anyone to speak for him. I understood the hon. member for Cape Breton South to state that while they were only a small group, seventy-five per cent of their members were ex-service men. I have been looking over the records of the C.C.F. members, and I find that there are three members out of nine who are ex-service men. That is not seventy-five per cent of their membership. I do not know that any one group in this house has any particular claim on having ex-service men in its membership, and certainly no group should endeavour to capitalize on our armed services. I am surprised that a group with so many schoolteachers and ministers of the gospel in its membership should not have made a greater attempt to get their facts straight.

[Mr. Hansell.]

Mr. CASTLEDEN: The hon. member for Cape Breton South—he is not in his place at the moment—told me that he did not intend to say seventy-five per cent.

Mr. CRUICKSHANK: What was he talking about then?

Mr. CASTLEDEN: That is his concern and he will tell you that to-morrow. I think it will be found that the matter will be corrected, either in *Hansard* or by a statement by the hon. member.

Mr. STIRLING: He said it in the hearing of all of us, and he cannot alter what is in *Hansard*.

Mr. CASTLEDEN: I said he would make a statement on it.

Mr. SHAW: I should like the minister to give us a break-down of the 104,743 persons who were granted permits to leave the farm in order to engage in other types of work during the past winter. When I referred to this matter some time ago the minister endeavoured to ridicule a statement I made that no individual who had spent such a short period of time in industry could become essential to that industry.

Mr. MARTIN: To what item is the hon. gentleman referring?

Mr. SHAW: I am referring to the farmers and farm workers to whom permits were granted last winter in order to engage in work other than farming. On June 23, this year, the minister stated that a total of 104,743 persons had been granted permits, but only 23,960 had been cancelled. Later on in his remarks he asserted that in certain instances these individuals had not been obliged to return to agricultural industry because they had become essential in the work in which they had been engaged during the winter time. To-day the minister said that one or two permits had not been cancelled. In checking over the statements which have been made during the last four months, I find that there is little conformity between them.

Mr. MITCHELL: It has been raining for a long time and my hon. friend will appreciate that that would tend to make the season late. Then it is no use in cancelling permits unless conditions are right for these men to go back on the farm.

Mr. SHAW: They were granted permits for winter work.

Mr. MITCHELL: I appreciate that, but what is the use in having a farmer or a farm labourer—I hope I shall not be criticized for using this language—lying around a farm

until the weather clears up? If the spring had been earlier, these permits would have been cancelled earlier, and the reason for extending the life of the permits is the lateness of the spring.

Mr. SHAW: I am not raising any objection to certain permits not having been cancelled, I was simply trying to get a complete picture of the situation as it stands to-day. Otherwise we are utterly and hopelessly confounded with respect to the whole question.

Mr. MITCHELL: These men are spread over the nine provinces, some of them being in very remote parts. It would be impossible for me to make a statement until the weather clears up, so that these men may go back to agriculture. Even then it will take some time to check up with the 216 offices across Canada from which permits have been issued. I shall be glad to do that at the earliest opportunity if it is at all possible.

Mr. SHAW: That is perfectly satisfactory. Some of the statements that have been made have led me to believe that the matter was to be dropped at that point.

I should like to refer to those who have been prosecuted for not having reported for military service or alternate work service. I do not know where the cut-off comes between the Department of Labour and the Department of National War Services, so that what I am about to say may not be relevant to the work of the minister. We have discussed from time to time and more particularly to-day what has been characterized as the army of lost persons, those thousands and thousands who for one reason or another have not reported. I find upon checking available statistics that this condition is more prevalent in certain administrative divisions than in others, and I checked back to ascertain the reasons. During the course of my investigations I examined the records with respect to those who have been apprehended and prosecuted for failure to report for military service or alternate work service, and I am utterly appalled when I consider what has taken place in the various divisions with respect to these prosecutions. The absolute leniency shown in some divisions —for example, a one dollar fine—leads me to the conclusion that it is no wonder the individual does not care what may happen to him if he fails to report.

Then I go to another division and find that an individual—and it is quite common in this division—is given a gaol sentence of twelve months and a fine of $200. I will take two more divisions without referring to them by letter or number. In one of these divisions there were twenty-one prosecutions; nine persons were given a gaol sentence as well as being fined; ten were sent to gaol without the option of a fine, one was given the option of a fine or a gaol sentence, and one was sentenced to report for training. The average gaol sentence in that division was five and one-quarter months, and the average fine imposed was $110.

In another division there were fourteen prosecutions, but only three gaol sentences. In only one case was the accused both gaoled and fined. There were two gaol sentences and nine cases where there was a choice of a fine or gaol. The average gaol sentence in that division was 2·11 months. The average fine was slightly over $41.

What I am trying to get at is this. I realize that there must be a minimum and a maximum fine, and no doubt there are regulations covering that. But why throughout one whole division is such leniency shown? For example, out of forty prosecutions in one division, only two persons were given a gaol sentence and fined, while in another division they were given a gaol sentence of from six months to a year and a fine of $100 to $200 was imposed, with no option; they were both gaoled and fined.

I think it is high time that the minister or whoever is responsible should take into consideration a record such as is presented here, which I understand is up to date as of September last, and see if some equality of sentence cannot be meted out because, if an individual in a certain division knows he is to be fined only $5 or sent to gaol for ten days, he will not worry a great deal. But the fellow who knows he will be gaoled for twelve months and fined $200 is in a very different position. We talk of equality of sacrifice, but I say that there is absolutely no equality of penalty in dealing with these various cases. I shall not elaborate, but I believe this matter should be given immediate consideration.

Just one other suggestion. I have often wondered why the government did not pass a regulation providing that, where an individual fails to report for military service or alternate work service, he be turned over to the military police and treated as though he had been A.W.O.L. I think that is the cure for this situation, and it would avoid all the difficulties that arise as the result of a prosecution. I hope the minister will give this suggestion his consideration.

Item agreed to.

Removal of enemy aliens including Japanese nationals and other persons of the Japanese race from protected areas in British Columbia, $3,000,000.

Mr. REID: Mr. Chairman, I want to approach the problem of the Japanese in Canada without rancour or being accused of approaching it from a racial hatred point of view. There was a time when the problem of the Japanese in this country was entirely a British Columbia problem, but to-day the problem has become one for Canada because, since the entry of the Japanese into the war, the Japanese in British Columbia have been moved from the Pacific coast and located in certain parts of the interior and in various other provinces.

There are at the moment two schools of thought in this country on this problem. I shall not take time to go into all the aspects of the various views, but there is one school of thought which believes that the Japanese should be removed entirely from Canada and sent back to the country whence they came or to which they owe allegiance. There is another school of thought which believes that treatment like that should not be meted out to them and that those who advocate it are animated by hatred of the Japanese.

My own views regarding the Japanese and the Japanese problem have been well known. They have been expounded both publicly and privately for years before I came into the House of Commons and since. Many hon. members will remember the warnings which I and others gave the government and the country in earlier days between 1930 and 1939, and which passed unheeded but were later found to be well founded.

There are also divided views on this problem in some churches of Canada. Some churches have taken the attitude that the Japanese should remain, especially those born here, while other churches take the attitude that so long as the Japanese owe allegiance to Japan they should be returned to Japan. I mention this particularly because certain pro-Japanese writers in this country have written articles on this problem, and some have gone farther and written books on the subject. I want for a moment to take exception to some of these writings.

One article on this problem appeared recently in the Montreal *Standard*, written by Mr. Allen Roy Evans. I want to take exception to the remarks he makes about those who hold the view that an unassimilable race like the Japanese should not be treated as truly Canadian. I have stated, and I do so again, that the Japanees are an unassimilable race in Canada, and I have never yet heard anyone expound the contrary view. Any race that lives unto itself and is of Mongol blood will remain in Canada Mongol, separate and apart from the Canadian, and distinctly so. British Columbia is not alone in its attitude to this problem. I know the people of California are also determined that the Japanese will not return to that state. An editorial which appeared in the Vancouver *Sun* of May 28 sets out the matter clearly. It states:

> California, like British Columbia, does not want to take back the Japanese after the war. The Japanese realize this so clearly that many thousands of the former residents of California and other coast states are asking that they be repatriated to their ancestral homes in the Orient at the conclusion of hostilities.
>
> These interesting facts have emerged from a survey of Tukelake Japanese relocation centre, a depot on the border of Nevada which now houses 14,000 Japs. More than 6,000 of these people have asked to be repatriated. They include several thousand born in the United States but who went back to Japan for schooling and military training (just as many did from B.C.).

In dealing with this subject, I wish to make some suggestions to the minister, and through him to the government, on this problem, which must be faced and which will not be downed by mere glossing statements by any minister of the government.

As pointed out, the people generally of British Columbia are determined to see this thing through along the lines on which they believe it should be carried out. It is most unfortunate that the views of the people of British Columbia were not heeded many years ago. Perhaps, now that it has become a Canadian problem, something will really be done. I am not so very sanguine, however, especially when one looks over the records of past federal governments, that the Japanese will be returned to Japan following the conclusion of hostilities, but if not, I believe that the suggestions which I am about to outline should be given serious consideration and acted upon.

Canada has granted the Japanese citizenship because they were born here. This is perfectly satisfactory to Japan, as long as their allegiance to Japan is paramount or comes first. Japan maintains that all these people are subject to the Sun Emperor by virtue of their Japanese blood and by their religion. From the earliest days Japan looked toward a programme of Pacific conquest. Japanese were actually exported from Japan to Pacific coast countries as far as Hawaii. The Japanese government initiated, financed, directed and controlled concentrated Japanese enterprises. These were able to successfully exert pressure upon local governments and even upon the federal government. We must, however, give thoughtful attention to endeavouring to solve

the problem without persecution. To revoke Canadian citizenship of Japanese who were born here is probably unthinkable to many and, perhaps, too drastic a step. We should, however, require them to prove themselves worthy of Canadian citizenship.

The first step in any sound and permanent solution of the problem must be taken by the Japanese themselves. That is a very important point, and one lost sight of by pro-Japanese writers and others who have written articles and books on this subject, because they nearly always place the blame on the white Canadians who urge that something further should be done. But, I repeat, the first step to any sound and permanent solution of the problem must be taken by the Japanese themselves. They must cut themselves completely aloof from the control and authority of Japan and its emperor. If the Canadian government is not prepared to send them back to Japan, it should and must be prepared to protect loyal Canadian Japanese in their renunciation of dual citizenship and alien control. Despite the inquiry which was held under Judge Cameron, it is my belief that the Japanese who are loyal to this country or who would like to be loyal Canadians live under the threat of fascistic elements controlled and dictated by Tokyo. Let me in substantiation of this show what happened in Los Angeles a short time ago:

> Eight hooded Japanese beat members of their own race before a tumultuous five-day strike began at camp No. 1 of the Poston, Ariz., relocation centre last November, says Norris Edward James, former head of the camp's receiving centre for evacuees. The Japanese who were beaten had been aiding the camp administration . . . the former camp executive said that beginning then "a definite attempt was made to destroy the Americanism of the American-born Japanese" in the relocation centre with its population of 10,000.

It is true that a writer in the *Standard* says that no acts of sabotage have been committed by Japanese. Very true, but perhaps the time is not ripe. When he says that all Japanese are loyal, let me tell the committee this. When the Swiss consul, or one acting on behalf of the Swiss government, visited the camp at Hastings park on behalf of the Japanese government to find out how Canada was treating the Japanese interned in that camp, there was one Jap in that camp who was determined to interview the consul. On being refused, he told the Royal Canadian Mounted Police in charge, "I am making no bones about being a Japanese citizen. I was sent here from Japan five years ago. I am a Jap and will always be a Japanese citizen." It is assumed that he wanted to send some special message back to Japan, but was prevented.

Second, Mr. Chairman, we must expose and tear out the whole web of Japanese influence, propaganda and intrigue and prevent, if possible, tight, deliverable blocks of votes which can always be used to pander to certain politicians.

Third, we must make it impossible for Tokyo directed and controlled enterprises again to achieve control over essential activities in our Canadian economy.

Fourth, we must never allow again unsupervised Japanese schools conducted in Canada, which were carried on for the sole purpose of keeping the Japanese as Japanese, and I believe indoctrinated the creed of dual citizenship.

Fifth, Japan-controlled firms and institutions must break their connections with the Japanese government.

Steps must be undertaken along the lines suggested if we are to solve this problem and with a new awareness and a determination that never again shall we allow dual citizenship to prosper and flourish in this country.

I have spoken many times about their being an unassimilable race and about the dual citizenship. The dual citizenship charge has never been denied by the Japanese themselves, and I am one who has taken the view all through the years, and take it still, and reiterate it to-night, that no man should owe allegiance to two countries at one and the same time. As I pointed out, the first step must be taken by the Japanese to cut themselves aloof from the country of Japan. But so far not one of them has seen fit to take that step, and I repeat it is my belief that they are afraid that their lives would be endangered were they to do so.

There are, it is realized, certain schools of thought which differ entirely from the views I have expressed tonight. I was one of those who was abused; I will not say castigated, although it came very near to that, when we in 1934 opposed the granting of the franchise to the Japanese, and I say this without rancour. I was very sorry indeed that the matter entered the realm of politics in British Columbia after 1933. It was intimated by the Cooperative Commonwealth Federation that if they were elected to power, the franchise would be granted to the Japanese. I am not accusing the Cooperative Commonwealth Federation of intimating such a policy to those who support them, but it was very strange to me that many whose views were similar to mine, but who did support the Cooperative Commonwealth Federation, changed their

views about giving these people the vote immediately after such a policy had been announced. I am not holding them responsible for that, but I do say this, and perhaps for the first time publicly, that the question never entered the arena of politics in British Columbia until that time, because prior to that no one in British Columbia would have got up on a platform to discuss the subject, for the reason that it was taken for granted that everyone in that province was opposed to granting the Japanese the vote.

May I interject one word personally? I have never publicly or at any time in my public career taken the stand I have taken against the Japanese to influence in any way those from whom I sought support. I have refrained from doing that, although I have spoken many times to my own people privately about my stand on the Japanese question. But that stand I have taken from a practical point of view. When they came to the country first in 1911 and 1912, the people of Canada were not aware, nor were we in British Columbia aware, of the move that was being made by Japan at that time to plant her nationals on the Pacific coast, and it is most unfortunate that this country of ours followed Great Britain all through the years. I am gratified to know, however, in conversations with some of the parliamentary delegation from Great Britain, that the eyes of the British people have at last been opened; I would advise those who have not had an opportunity of speaking to some of the delegates to get in touch with them, and they will find out that their views on the Japanese have changed entirely and that they are of one accord now on the point that never again must they trust the Japanese. I say that after having talked with some of the delegates who visited Ottawa.

I say to the minister that the suggestions made to him this evening I should like him to convey to the government and not to accuse us, as sometimes he has done in the past, of not having the milk of human kindness, or of lacking in British fair play. I have taken my stand fearlessly, but without hatred; and coming from the old land, as he does, I do not have to have a lecture about British fair play. It does seem strange, however, that the people who have known the Japanese the longest in Canada, the people of British Columbia and California, are the people who to-day say, "We don't want them back". Surely all the people cannot be wrong in adopting that attitude. It is quite notable that every community in Canada which has taken the Japanese since we have entered the war have been notified by the federal government that they are only being asked to take them temporarily, and that if they later do not want them the government will remove them from those communities after the cessation of hostilities. It is for that reason that we have some misgivings in British Columbia. If Ontario, Quebec and other provinces who have Japanese at the moment are going to say to the dominion after the war, "Take them out of here; we don't want them," I am wondering where the federal government will put them. This question must be faced. It is now an entirely Canadian problem, whereas heretofore British Columbia alone was faced with it.

As I said at the outset, I wanted to speak on this subject on account of its great importance, particularly to the people of British Columbia, and because it is one that must be dealt with. There is no side-stepping it much longer. The foundations for a solution of it should be laid right now. The people of the United States are thinking along the same lines. I will not weary the committee by reading all the communications I have from prominent men in the United States who take exactly the same stand as we do, but let me read one or two paragraphs from a prominent American, Miller Freeman, of the Pacific coast. He says:

> By our blindness in the past we have brought upon ourselves and future generations the problem of the presence in this country of a prolific, insoluble Oriental race, already numbering some 300,000 persons.

That is the number estimated to be in the United States.

> For the safety of these people, and ourselves as well, we must recognize this problem, and seek its solution. We have currently controlled it; but the future will bring it back again, intensified by the bitter memories of war and perfidy.
>
> Let no one cry: "Persecution." There is no taint of persecution in our doctrine. Rather it is conceived in tolerance, but in realistic recognition of the dangers and brutality of racial hatreds, and of the perils inherent in a national ambition which litters its history with the tattered shreds of its honour and its most solemn obligations.

There are those who differ altogether from my views and who believe that those Japanese who were born in this country are truly Canadian. Well, to those who take that stand I would turn it the other way. How ridiculous it would be to say that if a Japanese were born in Scotland he would be a Highlander or a Scotsman!

Mr. MacNICOL: It would not be fair to the bagpipes, would it?

Mr. REID: I can tell the committee there is something in race after all, because I venture to say, of the race from which I have sprung, that if they had ever received anything like

the treatment given the Germans and others by Hitler, Hitler would have been shot long ago by some Scot. They would not have stood long for that persecution. That is one of the things which make a difference in races. I say to the committee in all seriousness that this is a great problem confronting our country. Here we have a race of people who, when one gets to know them, look with disdain upon us and look upon us as dirt under their feet, and who have put it over many of our people close to the government, and in some instances have blinded some of these people by gifts. I say that without fear of successful contradiction. They are, I repeat, unassimilable. Those who talk about the assimilability of the Japanese usually want the experiment tried on some other family and not their own. I want to warn the members of the committee that the people of British Columbia are not going to take it quietly and have the federal government say to British Columbia again, "The Japanese problem is entirely yours, and now they are all going back to British Columbia."

I commend the federal government for the steps taken in taking the fishing vessels from Japanese, and with regard to the land which has been taken from them, and I shall have more to say to the Minister of Justice, who has given a ruling—

Mr. MITCHELL: Will my hon. friend permit a question? He said that some people close to the government have been blandished with gifts by the Japanese. I think the hon. member should be more explicit when he says that. It is a reflection, and I think those persons should be named if they are close to the government.

Mr. CRUICKSHANK: Some of them are trips to Japan.

Mr. MITCHELL: For instance, my friend the assistant secretary of labour is close to the government, and members of the house are close to the government—at least we hope they are—even in the opposition.

Mr. CRUICKSHANK: Some professors are, too.

Mr. REID: I say, from the information I have, it is no one connected with the minister. It is no one connected with the minister's department, I will go so far as to say that. I will go farther and say this, that I have never made a statement in the house unless I had some proof when making it.

Mr. MITCHELL: If the persons the hon. member has in mind are officials of the government, they should be named. It is not fair to have a cloud like that hanging over anyone, or to make the statement that they have been blandished with gifts by Japanese. That is a pretty far-reaching statement.

Mr. CRUICKSHANK: Is a trip to Japan a gift?

Mr. REID: I suppose it is the minister's duty to run to the rescue—perhaps I should not say "rescue"—to run to the assistance of any member of his staff who he thinks is being attacked. I will give the minister the names in private, from the information I have. I think the committee will agree that it would not be nice, if I may use that word, to place someone's name on *Hansard*. However, I shall give it to the minister privately.

An hon. MEMBER: Or any member of the house.

Mr. REID: I did not say it was a member of the house or any member of the government.

Mr. MITCHELL: But I do think, to be fair, I should have the information. It is not fair to permit anything like that being said, when people are not here to defend themselves. If a stigma of that kind is placed upon a permanent official, then we have the right to know about it.

Mr. CRUICKSHANK: On a point of order, I do not think the minister has any right to interrupt the hon. member for New Westminster.

Mr. MACKENZIE (Vancouver Centre): Yes, he has.

Mr. CRUICKSHANK: The hon. member for New Westminster should be allowed to continue. He has made a perfectly fair suggestion. He never mentioned any member of the government or any member of this parliament. He might have suggested that some might have had a couple of crates of strawberries from one of their Japanese friends. I think the minister would do well to wait until the hon. member has finished what he is going to say.

Mr. MITCHELL: I am not going to be lectured by the hon. member.

Mr. CRUICKSHANK: And I am not going to be lectured by the minister, either.

Mr. MACKENZIE (Vancouver Centre): Order.

Mr. MITCHELL: My hon. friend has spoken about British justice. Well, a charge has been made with respect to a certain permanent official of the government. My hon.

friend must know as well as I do that by the very nature of things they cannot defend themselves in this house. I say that when a charge is being made that these people—

Mr. CRUICKSHANK: On a point of order, the hon. member made no charge at all.

Mr. MITCHELL: It was stated that a permanent official had been given a gift by Japanese; that is not a correct statement to make.

Mr. REID: I did not say they were; I said they had been, and that is a different matter. I am speaking of the past.

There are one or two other matters I should like to mention. Possibly the minister or his assistant would take note of my questions, so that he may answer them. The first matter I have in mind is in connection with the personnel of the British Columbia security commission. A return was brought down on February 15, and in that return a total staff of 115 was shown. There were twenty-eight stenographers, twenty of whom were in the Vancouver office; nineteen clerks, sixteen of whom were in the Vancouver office; and fifty-three of a staff in that office, making a total of 115 in all. My first question is: Why should there be an office in a town like Port Arthur? There is a man there receiving a salary of $2,400, and a stenographer receiving $720.

Before he answers that question, I should like to ask some questions with regard to the appointment of this staff. The information given me is that the staff was appointed by Mr. Austin Taylor, chairman of the security commission. No great objection was raised to that, because it was understood that by the order in council complete power and authority was given to the British Columbia security commission to appoint its staff.

I wish, however, to ask the minister this question: Who was responsible later on for advising the civil service commission to place all these positions under the civil service, and practically protect every one of these under the civil service regulations, when the only qualification many of them had for the job, or the chief qualification, was being a friend of Mr. Taylor?

Mr. CRUICKSHANK: Professor Angus, too.

Mr. REID: We have heard a great deal about political patronage. If the government appointed, or dared to appoint one man outside the civil service commission, I can imagine the cry which would be raised in this house. But here are 118 of them. If one of them retired from the position, that position would have to be advertised through the medium of the civil service commission. It is a splendid thing to have appointments made through the civil service commission, but I should like to know who advised the civil service commission to have all these appointees placed under it. As I say, with respect to many, if not all of them, the chief qualification was their relationship to the chairman of the security commission.

That is one thing I want to know. I want to know all the facts about the office at Port Arthur, and the need for it. I want to know the need for a staff of 115. I want to know, also, what Mr. Trueman, the placement officer, is doing, and especially after the statement he made publicly that the reason why the Japanese were being moved by the government was that there was mass hysteria, and the political agitation of some members of parliament.

Perhaps I had better permit the minister to answer those questions, or would he rather I should ask the remaining questions?

Mr. MITCHELL: I shall answer one at a time. The first question, as I understand it, is this: Why were employees of the British Columbia security commission placed under the civil service commission?

Mr. REID: After their appointment.

Mr. MITCHELL: Yes, after their appointment. If my hon. friend's mind will go back to the development of this Japanese problem in British Columbia twelve months ago, and the establishment of the British Columbia security commission, he will know as well as I do that as soon as it was handed over to a department of government—and it was handed over to my department—we moved with expedition. The first appointments were made by Austin Taylor and his commission. Eventually the civil service commission went into the matter, and they were finally approved by it. I believe that is the first question. If there is any responsibility I am prepared to take it, for the civil service commission.

Mr. NEILL: Let us go back farther: Who appointed Mr. Taylor?

Mr. MITCHELL: The government did.

Mr. CRUICKSHANK: Who made the recommendation?

Mr. MITCHELL: The government appointed Mr. Taylor. I do not think my hon. friend made the recommendation.

Mr. CRUICKSHANK: I certainly did not. I come from British Columbia.

Mr. MITCHELL: If my hon. friend had had on his mind what I had on mine at that time, namely the international situation, and particularly the situation in the near east, one which has cleared up considerably since then, I think he would have got anyone he could to move those Japanese out of British Columbia.

Mr. CRUICKSHANK: I think the hon. member for New Westminster can look after himself.

Mr. MITCHELL: The next question was about a gentleman and a stenographer in Port Arthur. At the present time I think we have about 1,800 Japanese in Ontario. We have a large concentration camp in northern Ontario in which there are about 600 or 700 Japanese. This gentleman and his office staff are engaged in the general supervision of the Japanese in that part of Ontario, and in their placement. The next question, I think, was about a Mr. Trueman, located in the city of Toronto. He has the general direction of the movement of the Japanese in eastern Canada, in the province of Quebec and particularly in central and eastern Ontario.

Mr. REID: Probably I shall have more to say about this before the item passes, but the questions I want to ask of the minister at the moment are in regard to an order in council which was passed on Friday, May 28, in connection with the wood-cutting proposition. By that order in council the Minister of Labour is made responsible for having the Japanese cut fire wood. Paragraph 1 reads:

1. To undertake and engage in wood fuel cutting and other timber operations to the extent necessary to supply the needs of the interior Japanese housing settlement in British Columbia. . . .

My question in regard to this is: Have the Japanese been engaged and paid to cut fire wood for their own homes? My second question relates to paragraph 3:

3. To deliver, sell or otherwise dispose of, and to make arrangements with the wood fuel controller. . . .

Will the wood they cut be sold to the wood controller at cost price or at a set price? The third question is in regard to paragraph 5, which reads:

5. Notwithstanding the provisions of the Civil Service Act to employ, from time to time, occidental machine operators, foremen and assistants required in carrying out the said projects.

Will these men be placed under the civil service commission after their appointments?

Mr. MITCHELL: The answer to the first question, whether they will cut wood for their own homes, is, yes; at cost price, of course. The second question was whether they will cut fire wood for sale, and the answer is, yes. I hope they will cut a hundred thousand cords of fire wood. Of course that will be sold on a strictly competitive basis; there will not be any question of unfair competition with those people who are at present engaged in the industry. The third question was in regard to the men operating the machines. My hon. friend, who comes from British Columbia, knows that, in the operation of the lumber industry there, certain highly skilled operatives are engaged. This provision was to enable us to appoint these people to operate the machines and also to appoint the necessary foremen in connection with getting out the lumber. I do not know about the civil service end of it. At the moment I have not given any thought to that.

Mr. REID: What will the Japanese receive for cutting fire wood for themselves and for the public?

Mr. MITCHELL: They will be paid so much a cord, according to the usual custom in British Columbia.

Progress reported.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 10.55 p.m.

Wednesday, June 30, 1943

The house met at three o'clock.

PRIVILEGES OF THE HOUSE

REMARKS OF MR. LACOMBE IN DEBATE ON JUNE 25—STATEMENT OF MR. SPEAKER—MOTION FOR COMMITTEE OF INVESTIGATION

Mr. SPEAKER: In view of the widespread public interest regarding the statement which was made by the hon. member for Laval-Two Mountains (Mr. Lacombe) as contained in *Hansard* of Friday, June 25 last, at page 4042:

Nous avons dans le Gouvernement trois nouveaux millionnaires depuis la déclaration de la guerre. Nous les dénoncerons en temps et lieu. Les fortunes s'édifient.

Or, in English:

We have in the government three new millionaires since the declaration of war. We will denounce them at the proper time and place. Fortunes are being built up.

And also the statement made by the right hon. the Prime Minister (Mr. Mackenzie King) as set forth in *Hansard* of June 28, at page 4072:

> A moment ago my colleague the Minister of Justice drew my attention to a statement made by the hon. member for Laval-Two Mountains which is of a very serious character. I had not up to that time observed the remarks to which my colleague referred as well as others and I was not in the house at the time they were made, but I find them in *Hansard* in the official report of the English translation of speeches delivered in French on the date indicated.

I wish to say that the hon. member for Laval-Two Mountains has made a grave accusation against three members of the government, so grave that the implied and, it seems to me, the only meaning which can be drawn from the statement is that these three unnamed members are using their position to accumulate fortunes. Although unnamed, as the statement now stands, all and every member of the government stand accused.

No more serious accusation could be made reflecting as it does on the integrity of members of the government, especially those charged with the executive positions of government. The hon. member must have realized the import of his remarks and duly considered the disastrous effect such a charge, if unchallenged, would have on public opinion, not only in Canada but throughout the world, especially at this serious period of our national life.

The Prime Minister has challenged the statement and has asked that the hon. member should be obliged either to withdraw the statement completely or else to convert it into a specific charge to be investigated in the usual manner.

If the hon. member so challenged refuses either to withdraw the charge or make a specific charge to prove the truth of his statement, he must accept that responsibility and govern himself in accordance with the practice usually followed in such cases.

I would be loath myself to apply rigorous measures against the hon. member. I am inclined to the view that this is a matter upon which the house should decide. At this moment we are dealing with what is a question of privilege and no formal proceeding is before the Chair. I must point out, however, that I view this incident with grave misgivings not only because ministers are affected, but also because the privileges of each and every hon. member are affected.

[Mr. Speaker.]

Standing order 41 provides:

> No member . . . shall use offensive words against either house or against any member thereof.

If the house so decides, a motion can be made that this question be referred to the committee on privileges and elections for investigation and report, after which the house will decide what action should be taken.

I take it that the house will now expect the hon. member to make a statement, and I will ask him to do so now.

Mr. LIGUORI LACOMBE (Laval-Two Mountains): Mr. Speaker, I will not withdraw the words which are attributed to me in the English translation of *Hansard,* words which I never said, and which are attributed to me only by distorting the French text of my remarks. But first I would draw the attention of this house to the fact that the government has been delegating since the beginning of the war part of its power to numerous commissions where millionaires are sitting for a salary of one dollar a year. But these commissions are an integral part of the government or of the administration, which the opposition, to which I belong, has the right to criticize.

I point out to the right hon. the Prime Minister that my words were in no way directed against the members of his cabinet. According to standing order 41:

> No member shall speak disrespectfully of His Majesty, nor of any of the Royal Family; nor of the governor or person administering the government of Canada; nor use offensive words against either house, or against any member thereof. No member may reflect upon any vote of the house, except for the purpose of moving that such vote be rescinded.

Mr. Speaker, if I made a statement which is offensive to any member of this house, or to any member of the cabinet, I am prepared to withdraw immediately this statement, but I submit respectfully that I cannot withdraw what I never said. I repeat that if I have made any statement offensive to any member of this house or to any member of the cabinet, I withdraw it entirely and immediately.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I cannot see that what the hon. member has just said in any way meets the very grave situation for which he is responsible. His words at the outset were serious enough in their reflection upon members of the cabinet. From what I read of his explanation in the press he said that "le Gouvernement" did not mean "the cabinet," that it meant the party which supported

the cabinet. I cannot say whether the hon. member said that or not, but he is reported so to have spoken to the press. At any rate he has withdrawn nothing to-day, it seems to me, which would remove the implication that some members of this House of Commons have been profiteering as a consequence of opportunities afforded by the war. That is an imputation which no member of this house can afford to have stand against either himself or any other member without the very fullest possible investigation.

I believe the quickest way to deal with this matter, Mr. Speaker, is, as you, Your Honour, have suggested, namely, to refer to the committee on privileges and elections the statement which the hon. member made as it appears in *Hansard,* and that the committee on privileges and elections should go very fully into the whole matter. I would therefore move, seconded by Mr. Ralston:

That Liguori Lacombe, Esquire, member representing the electoral division of Laval-Two Mountains, in the house, having declared from his seat:

"Nous avons dans le Gouvernement trois nouveaux millionnaires depuis la déclaration de la guerre. Nous les dénoncerons en temps et lieu. Les fortunes s'édifient."

the select standing committee on privileges and elections be instructed to inquire fully into this allegation and to report in full the evidence taken together with all the procedure on this reference and the result of their inquiry for such action thereon as the house may determine.

Mr. LACOMBE: Mr. Speaker, before this motion is discussed in the house, to avoid expenses on this account, and to avoid something against the war effort, I withdraw entirely what I have stated in this house, as the right hon. the Prime Minister asked me a few moments ago.

Hon. R. B. HANSON (York-Sunbury): I do not rise for the purpose of defending the hon. member for Laval-Two Mountains; but in a public statement which he made, or is reported to have made, and to which the Prime Minister has alluded, the hon. member raised an issue which, I think, ought to be settled, having regard to the fact that the allegations which he is said to have made in the house are in the French language, and his assertion that the translation upon which the Prime Minister relies is not a correct translation. I am going to ask the Prime Minister if the translation which he used the other day is an absolutely correct one. If this were a matter for a court of law, and one were framing a statement of claim or a declaration for defamation in a language other than—in my own province—the English language, the exact words complained of would have to be stated, and the innuendo framed thereon as to the defamatory intent.

I should like to know before this motion passes if there has been made an authoritative translation of the language alleged to have been used by the hon. member for Laval-Two Mountains. He has apparently challenged that both outside the house and, if I understood him correctly, inside the house to-day. While I have no brief for the hon. member, and while I abhor the hurling of these charges across the floor of the house, may I suggest to the Prime Minister that perhaps the concluding statement of the hon. member is a complete withdrawal, and that might end the incident. Perhaps he might be asked to apologize to the house. I think that would be the proper course to pursue. But I do not like to see people punished for things they may say on the spur of the moment. I suppose that if I had been punished for everything I said on the spur of the moment I would not be here at all. It seems to me that this would be a charitable view to take.

Mr. KARL K. HOMUTH (Waterloo South): Mr. Speaker, I quite concur in the motion that the Prime Minister has introduced this afternoon. Unfortunately, during the last two or three years of war, there has been built up in this country in the minds of some people the notion that certain persons are profiteering as a result of the war effort. Perhaps because I am in industry, I know something of the situation of those who are working in our war effort and doing a great deal to advance it, and I am opposed to encouraging in this country the idea that such people are taking advantage of the war to amass fortunes for themselves. I do not believe that anyone in industry to-day is in a position to make a fortune as a result of the war effort. I have never questioned the loyalty of any other Canadian; I have always felt that every one of us is in this war to fight it to a finish, it matters not at what cost. An allegation has been made by the hon. member for Laval-Two Mountains against members of the cabinet, or members of this house. In his apology he more or less referred to the members of the House of Commons in his own translation of what he said. I think that this is unfair, and so far as I am concerned, if there is any charge at all it should be investigated to the full, because the people of Canada ought to realize that everybody in this country who is invested with any responsibility is doing all he can to prosecute the war to the fullest

extent, without any regard to profit. But the result of the activities of a certain political party in the last two or three years has been to create the feeling that you cannot trust any man who has a responsible position in industry. I think the time has come when we should recognize that there are people in this country, regardless of their financial standing, who do want to win this war and are doing everything they can to that end. I vehemently resent therefore the insinuation that simply because a man happens to have an industry, or occupies some position that may carry a large salary with it, his sole idea is one of profit to himself. I have never questioned the loyalty of my fellow Canadians, and I resent with all the force I can put into it the idea that simply because some man happens to own an industry or to be interested in industry his only object is to make some profit out of the war, no matter what happens. I think we should have a full investigation into the charges made by the hon. member for Laval-Two Mountains, notwithstanding that he has withdrawn his statement. Let us go into the matter to the very bottom and show conclusively that the members of this house are certainly above any such imputation as that made by the hon. member for Laval-Two Mountains.

Mr. ANGUS MacINNIS (Vancouver East): I am wondering what purpose will be served by passing the motion after the withdrawal made by the hon. member for Laval-Two Mountains. If the hon. member had not withdrawn his statement that would be another matter, but in my opinion he withdrew unreservedly all references he made on the occasion in question. After Your Honour's request for a statement from the hon. member —I admit that his first explanation was not satisfactory—he did make a complete withdrawal. What can be gained by an investigation? I do not know that there are any damages or penalties that can be applied to the hon. member. We can find him guilty of making the statements and possibly he could be unseated and there would be another election. But I do not know that anything would be gained thereby. I suggest that under the circumstances, and taking into consideration also the circumstances under which the speech was made, it would be much better if the hon. member's withdrawal were accepted and the motion dropped.

Mr. RODOLPHE LEDUC (Wright): I was in the house on Friday afternoon when the hon. member for Laval-Two Mountains delivered his speech and I can swear that the words which he used in French are the exact words that appear in *Hansard*. At that time I wanted to ask the hon. member the names of the ministers, but it happened that there was a French minister sitting in his seat and I thought he would interrupt the member for Laval-Two Mountains and ask him what the names were. I cannot accept the withdrawal which the hon. member made a few minutes ago, because he declared, in withdrawing his statement, that he was willing to withdraw in order to save this country money and to save time as well. If therefore his withdrawal is accepted by the house he will be in a position to go outside this parliament and say that if he had not wanted to save the country time and money he could have proven his accusation.

Mr. BLACKMORE: It seems to me that the hon. member withdrew without qualification the second time.

Mr. LACOMBE: Mr. Speaker—

Mr. SPEAKER: Order. The hon. member for Laval-Two Mountains has already spoken. We are not in committee.

Mr. VINCENT DUPUIS (Chambly-Rouville): I wish to say just a few words. I completely concur in the views of the right hon. the Prime Minister. The integrity of members of this national assembly must be kept sacred, and no member of the house has the right to say anything which would diminish the reputation of any other member. The hon. member for Laval-Two Mountains made a very serious and grave charge, as Your Honour said. There may be circumstances which would not excuse, though they might explain, the language of a person, but in the criminal law it does not matter if a crime is committed while a man is not in possession of the well-balanced mind which otherwise he has. I am not here to defend the hon. gentleman, but I understand that in a case of slander, if a newspaper withdraws unconditionally what it has written there is no action in law against it and the matter is completely abandoned. The hon. member for Laval-Two Mountains did withdraw. He said, however, that he withdrew because he did not want to have this parliament go to the expense of an investigation or an inquiry. If I understood the Prime Minister correctly, he said that unless the hon. gentleman withdrew unconditionally the accusation must be referred to the committee on privileges and elections. As we are not satisfied with the declaration of the hon. member for Laval-Two Mountains, is it not permissible—because we know his intent; he intends to withdraw—for Your Honour to draft a declaration which would be satisfactory

to this house and ask the hon. member if he is ready to accept it? In those circumstances the House of Commons would be satisfied and the integrity of members of the house vindicated. I humbly submit to Your Honour that if this procedure could be followed, if you would ask the hon. member to accept such a declaration, if it were satisfactory to him, we could accept it also.

Mr. C. E. JOHNSTON (Bow River): I am not so sure that this type of investigation would be satisfactory. When you speak of putting this case before a house committee, that cannot be compared in any sense to a court of justice, because unquestionably on a house committee the predominance would be Liberal and other parties would be represented proportionately. I do not think the question will be settled in that way. I am very much in doubt about the translation that has been made of the statement. The Prime Minister has not yet answered the hon. member for York-Sunbury, who asked whether this was a confirmed translation. There are some of us here who do not know whether that is a proper translation.

Mr. LALONDE: The motion is based upon the French version.

Mr. JOHNSTON (Bow River): The hon. member himself has stated that the translation into English was not a proper translation. Further, I think that what you said when you first spoke was quite proper and I agree with the stand you took. You asked the hon. member if he was prepared to withdraw his statement; if not, other means would have to be taken. When he was speaking the hon. member said definitely that if there was a charge against any member of this house or any member of the cabinet he was prepared to withdraw it. Without giving him a chance to say anything further on the question, the Prime Minister moved his motion. Then the hon. member for Laval-Two Mountains made a further clarification of his former statement.

Mr. HOMUTH: He just beclouded it.

Mr. JOHNSTON (Bow River): That is what you think. Perhaps an investigation might prove a whole lot more than you have in mind.

Mr. HOMUTH: I have not anything in mind.

Mr. JOHNSTON (Bow River): The hon. member made a statement clarifying what he had said the first time. Without question he withdrew it unconditionally.

Some hon. MEMBERS: No.

Mr. JOHNSTON (Bow River): That again is your opinion. I hold no brief for the hon. member for Laval-Two Mountains, but I do like to see justice done. I do not care what he said before, he has said now that he will withdraw unconditionally.

Some hon. MEMBERS: No.

Mr. JOHNSTON (Bow River): We are divided even on that. This just goes to show what kind of procedure will be followed in the committee, I do not think you, sir, would consider a house committee as being comparable to a court in dealing with a case like this. As the Prime Minister has said, this is a serious charge. I do not think the millionaires are going to take much offence.

Mr. HOMUTH: Who are the millionaires?

Mr. JOHNSTON (Bow River): Maybe you can name them.

Mr. HOMUTH: I do not know them, but you referred to them. If you do not know them, why talk about them?

Mr. JOHNSTON (Bow River): You were talking about them.

Mr. HOMUTH: I was not talking about them. Name them if you know them.

Mr. SPEAKER: Order.

Mr. HOMUTH: The people get sick and tired of this.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. gentleman who has the floor has the right to speak.

Mr. HOMUTH: But he talks too much.

Mr. SPEAKER: I must ask the house to remember that we are discussing a very serious matter. Every member of this house is entitled to speak and to be heard.

Mr. HOMUTH: People are being accused.

Mr. JOHNSTON (Bow River): I am sorry if I seem to have trod on the toes of the hon. member.

Mr. HOMUTH: You have not trod on my toes, don't worry about that.

Mr. SPEAKER: I ask the hon. member for Waterloo South not to interrupt the hon. gentleman who is speaking.

Mr. HOMUTH: All right, but he should not make allegations.

Mr. JOHNSTON (Bow River): I believe it would be in the interests of all concerned if the Prime Minister would withdraw the motion he has placed before the house.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I would suggest to the Prime Minister that this is a case in which justice might well be tempered with mercy, for three reasons. First, this man gets up in the house in the evening when he is perhaps feeling sick, or perhaps too good, and he makes what now appears to be a foolish and utterly untrue statement. Then, to make matters a great deal worse, the statement is not translated properly, something that is not his fault. I do not know much about French, but I know how to translate three or four simple words. The French as it appears before us here, and as it appeared in some of the newspapers, is to the effect that we have in the government three new millionaires since the declaration of war. Then the translation puts in words that were not there by saying, "three new millionaires who have made their money" since the war's outbreak. Those words "who have made their money" are not in the original French, and the translation makes the offence, if it is an offence, a great deal worse. The hon. member has explained that, and he has also suggested that "government" does not mean "cabinet". I do not know about that, but I do know that these English words that appear here were not in the original French. I think we could well overlook utterances made in the evening under certain conditions. I am not in that condition very often myself, so that perhaps I cannot speak with authority.

The third reason is that we are likely to make ourselves supremely ridiculous, and that is a thing not to be desired in parliament. Those of us who have been very long in politics know that this has happened before. I was not in the house at the time, but it happened in the British Columbia house. A reporter made some foolish break—I think he got up a fake bill or something of the kind. It was taken by most of the house as a good joke, but some of the members of the government were affronted. They thought their dignity had been affected and they demanded that he be called to the bar of the house. He was called to the bar of the house and was finally sentenced to be taken into custody by the sergeant-at-arms. They followed the English custom, and he was ordered to be placed in the tower. But they had no tower in British Columbia at the time, so that he lived at the best hotel in the town at the people's expense for a couple of days. Finally a delegate from the government went to him and asked if he would mind calling it all off. The result was that they appeared supremely ridiculous.

[Mr. C. E. Johnston.]

The hon. member feels that he has apologized. He says that he did not intend to cast any reflection upon any member of the government, and I think it would be well if we were to accept his statement.

Mr. SPEAKER: The words of the motion seem to have been overlooked. They read:

That Liguori Lacombe, Esquire, member representing the electoral district of Laval-Two Mountains in the house, having declared from his seat—

Only the French text is used in the motion, not the English text.

Mr. MAURICE LALONDE (Labelle): Mr. Speaker, I was present in the house when the hon. member for Laval-Two Mountains delivered his speech and I can corroborate what the hon. member for Wright (Mr. Leduc) has said, to the effect that the hon. member for Laval-Two Mountains used these French words:

Nous avons dans le Gouvernement trois nouveaux millionnaires depuis la déclaration de la guerre. Nous les dénoncerons en temps et lieu. Les fortunes s'édifient.

If my memory serves me aright, I think the hon. member for Laval-Two Mountains was reading his speech, so that it is of no use for us—

Mr. LACOMBE: I rise to a point of order. The hon. member has stated that I was reading a text. That is absolutely false as I had given my text to the newspapers. The hon. member for Labelle was interrupting me without my permission.

Mr. LALONDE: I am bound to accept the declaration of the hon. member for Laval-Two Mountains, but we must all admit that the words used by the hon. member were exactly the same as they appear in this resolution. We have to decide whether or not the house will accept the resolution now before the Chair. It is of no use for us to quarrel about whether or not the translation from French into English has been well done, because the resolution contains the French version, and we are called upon to approve or reject it. So that the hon. member for Laval-Two Mountains should not think I am getting after him too severely; but if he does not withdraw completely and without reservation the statement he made in the French language I am ready to vote for this resolution. If the house is kind enough to give the hon. member another chance to withdraw completely the statement he made, without any conditions, then I shall be ready to take another view.

Mr. HOMUTH: No, no.

Mr. ROBERT FAIR (Battle River): I do not intend to take any sides on this question, since I am a member of the committee which, if this resolution is adopted, will investigate this charge, but I should like to read a few words from *Hansard* of Monday, June 28.

Mr. SPEAKER: Is the hon. gentleman referring to a previous debate in this house? If so, he will be out of order.

Mr. FAIR: I want to read the words of the Prime Minister, because they have a direct bearing on the withdrawal that has just been made by the hon. member for Laval-Two Mountains. This is exactly the same question, and apparently it has not been decided yet. In the last paragraph on page 4072 of *Hansard* for May 28, I find these words coming from the Prime Minister:

> The proper time and place to make a statement of that kind is in this House of Commons with the hon. member simultaneously undertaking to prove the charge, or, if he is unable to do so, to resign his seat in this house. I submit, Mr. Speaker, that the hon. member should be obliged either to withdraw the statement completely or else to convert it into a specific charge to be investigated in the usual manner, and the consequences of the investigation also to be followed up in the usual manner.

I submit that on the second attempt the hon. member for Laval-Two Mountains did withdraw the charge which was made, completely and unreservedly.

Some hon. MEMBERS: No.

Mr. FAIR: I have been on committees of this house and in this chamber long enough to know that the sort of thing we hear across the floor of the house goes on both in committee and here, whether or not it is in accordance with the facts. If a member of the opposition wants to carry on some conversation or some argument which is not in line with what the majority of the committee wants to bring forward, then that hon. member is howled down, as I have been howled down in committee on more than one occasion. I do not intend to be howled down here or in committee after this. I am making my protest now; and I do not think the hon. member for Laval-Two Mountains will get the justice in the committee that he would get before a court of law.

Some hon. MEMBERS: Order.

Mr. SPEAKER: The hon. member who has just taken his seat has cast a reflection on hon. members of the house. I am quite sure the hon. member does not intend to do so, but certainly he should withdraw that statement.

Mr. FAIR: Owing to the noise in the chamber I could not hear exactly what you said, Mr. Speaker, but I think if you and hon. members of this house will look at what I have said you will find that I was perfectly right in making the statement I did make.

Mr. SPEAKER: Order. The words of the hon. member as I caught them were that, in referring to his relations with committees, he found that he had not received the justice from hon. members that he expected. That is a reflection upon the members of this house. I do not think the hon. gentleman intended to cast any such reflection, but it is on *Hansard* now and I would ask him to withdraw it.

Mr. FAIR: I stated, and I do not think there is any disagreement about it, that when I wanted to carry on an argument with which the majority of the committee did not agree, I was howled down.

An hon. MEMBER: Where?

Mr. FAIR: In the agriculture committee, if you want me to name the committee.

An hon. MEMBER: When?

Mr. FAIR: During the discussion of the wheat board report.

Mr. MACDONALD (Kingston City): On a point of order, Mr. Speaker, as I heard my hon. friend he went a good deal further than to refer to his experience in a committee. He went on to say that the hon. member for Laval-Two Mountains would not get justice from the committee on privileges and elections. I contend that this statement is a reflection on every member of the committee and every member of this house, and that the hon. gentleman should withdraw it unequivocally and unreservedly.

Mr. FAIR: I think the hon. member for Kingston City (Mr. Macdonald) should look over my remarks once more. What I said was that the hon. member for Laval-Two Mountains would not get the same treatment in the committee that is proposed to be set up to deal with his case as he would in a court of justice. Those are exactly the words I used, and they can be found in *Hansard*.

Mr. QUELCH: I do not see how there can be any dispute in regard to the statement made by the hon. member for Battle River. This will be a partisan committee, dealing with a partisan subject; therefore it will not be able to deal with it impartially and will not be able to give justice to the hon. member.

Mr. SPEAKER: I must call the attention of the hon. gentleman to the fact that in referring to the deliberations of any committee

no hon. member may cast reflections upon the justice or decorum of the members of the committee, or suggest that they will not properly carry out their duties as members of the committee. No such reflection may be cast upon any members of a committee or of the house, and I ask all hon. members to refrain from such statements.

Mr. HANSON (York-Sunbury): On the point of order, in effect Your Honour has ruled that no member may impute motives, and with that I am in agreement. But to dispute the decision of a committee and say that it is unjust, or may be unjust, is well within the rights of any hon. member.

Mr. MACKENZIE KING: My hon. friend has said that to dispute the findings of a committee or to say they may be so-and-so is quite legitimate. That is not what at least three hon. members have said in the hearing of this house this afternoon. Their statement has been that a committee of this house will not deal impartially with a certain question. That is the point of the statement that has been made; that is the intent of it, that justice cannot be expected from a committee of this house. Certainly that is a reflection upon the personnel of committees of this house, which no hon. member has a right to make. I do submit that we are losing sight entirely of what should be uppermost in the mind of every member of parliament; that is, to have his own privileges protected to the greatest extent possible. If the privileges of members are not fully protected the work of parliament under the democratic system cannot be carried on in a manner which will carry with it the support of public opinion. And every member who rises in his place and reflects upon another member's integrity, or the integrity of a committee of this house, is helping to undermine the true principles of democracy on which our parliamentary institutions are founded. I submit that Your Honour cannot be too rigid in insisting that where members do cast reflections upon other members, they be obliged to withdraw immediately. This whole case, of which so much is being said in the house, is the result of a lot of loose talking and of reflections by some hon. members upon others, which has been permitted to take place time and again. Had it been summarily dealt with at the outset it would probably not have resulted in the last incident.

Mr. BLACKMORE: On the point of order, when the hon. member for Battle River made his remarks, hon. members in other parts of the house were making so much noise that it was impossible to hear what the hon. member for Battle River was saying. I ask the Prime Minister if he thinks that hon. members of his party were granting the hon. member for Battle River justice and freedom. Were they granting justice to the hon. member for Laval-Two Mountains, in whose behalf the hon. member for Battle River was at that time speaking?

Mr. HANSELL: May we get on with the discussion of the motion?

An hon. MEMBER: What about getting on with the war?

Mr. LACOMBE: On a question of privilege—

Mr. SPEAKER: I have already drawn to the attention of hon. members the terms of standing order 41, namely that no member shall make offensive remarks against any other member of the house. There have been offensive remarks made to-day. They are not confined to one person, or two; because three hon. members have said that it would not in their judgment be justice to the hon. member for Laval-Two Mountains if this matter were sent to a committee. These remarks are wholly out of order, and they should be withdrawn. I ask that the hon. member for Battle River withdraw his remarks so far as they reflect upon hon. members of the house who are members of committees.

Mr. FAIR: I am bound to withdraw, and I do withdraw. But I want to say—

Some hon. MEMBERS: Order.

Mr. FAIR: —that my remark was that the hon. member for Laval-Two Mountains would not get the same treatment in a committee as he would in a court of justice.

Mr. E. G. HANSELL (Macleod): Mr. Speaker, it is true, as you have said, that the apparent charge of the hon. member for Laval-Two Mountains is a serious one. I recognize that, if I read correctly the English translation as recorded in *Hansard* of last Friday. But the motion now before the house is also very serious. Every hon. member in the house is placed in the position of having to take his stand on this motion, and having to weigh in his mind whether there is a possibility of a private member being, shall I say, put into absolute political oblivion, or permitted to retain his seat. That is the position in which every hon. member is placed, and that is what every hon. member must decide when he votes upon this motion.

I am wondering if such a motion may not be interpreted as even casting a little reflection

upon the Prime Minister and his cabinet, or his party in the house. I am certain the Prime Minister must have weighed the situation very carefully before he made this motion. May I just suggest one or two things at this point. The hon. member for Laval-Two Mountains was once a member of the Liberal party. He has disagreed with its policies. The time came when he eventually crossed the floor of the house. May I interject here that while the Prime Minister said a moment or two ago that there was very much loose talking, and that it perhaps resulted in the hon. member's making this statement, it is perhaps the result, too, of a beclouded policy held by the party which is now on the government side of the house, and that has caused an antagonism to arise on the part of this hon. member. Be that as it may, he did not agree with the government's policy, but crossed the floor to this side of the house. He stands alone. As a result, naturally his feelings are very keen in respect to his duties here. As a result of that he has caused some trouble in the house in days gone by. I am not speaking in behalf of the hon. member, for I have no brief for him. I am speaking of the interpretation which may be given to this motion. His feelings ran high last Friday afternoon when he made certain statements. The Prime Minister has seen the seriousness of these statements, and made a statement the other day about them, the result of which has been to-day's procedure. The hon. member for Laval-Two Mountains rose and withdrew his statement, with what some hon. members considered to be a certain qualification.

Mr. HOMUTH: Quite.

Mr. HANSELL: Now it would appear perhaps that the Prime Minister is not satisfied with that withdrawal, and seizes upon the opportunity of putting over—of putting a motion to the house which may result in the house getting rid of this member. I am saying that that could be the interpretation. And I think I can say that perhaps it will be the interpretation in some sections of this country, anyway.

Mr. MACKENZIE KING: May I ask the hon. member if that is his belief? He is making insinuations. I ask him to make a direct statement.

Mr. HANSELL: I am making no insinuations at all, and the Prime Minister cannot do with me what perhaps he thinks he can do with some people. I am making no insinuations. As a matter of fact I am trying to protect the Prime Minister.

Some hon. MEMBERS: Oh, oh.

Mr. HANSELL: I am saying that the interpretation in this country may be as I have said. I am simply following that up by suggesting what I believe to be a way out of the difficulty. What I am going to suggest may be regarded as—well, shall I say not a hundred per cent technically, according to parliamentary procedure. I am going to suggest this, that you might ask the hon. member for Laval Two-Mountains if he will now unqualifiedly withdraw his statement. If he answers yes, then cannot the Prime Minister respond by saying that he will withdraw his motion?

Mr. JEAN-FRANÇOIS POULIOT (Temiscouata): Mr. Speaker, as an old defender of widows and orphans I submit respectfully that I have some sympathy, in the first place, with the hon. member for Battle River, because when he started to speak there was some noise; perhaps someone was coughing. At any rate I know there was some noise which could have been interpreted as an interruption. It is against the principles of democracy to interrupt a member by making a noise, other than by putting a legitimate question, when he is addressing the Chair. He comes from a good Celtic race and perhaps was a little quick in making some observations, no doubt feeling that the hon. member for Laval-Two Mountains would not receive fair treatment before the committee on privileges and elections. I would remind the house of a case which had just been submitted to that committee involving a former member of the house, a man who is no longer a member, but who received fair treatment. All the members had a good word for him.

Let us come down to fundamentals. According to the Interpretation Act each publication which bears the name of the king's printer and comes from the printing bureau is official and is admitted as evidence before any court of the land, and must be accepted as such. The only difficulty in this case is that there are two texts of *Hansard,* but each of them is not a translation. It is what we call a version. There is the French version and the English version, or the French text and the English text. Both are admitted as evidence in a court of law. But on the other hand, as the hon. member for Laval-Two Mountains spoke in French the report of his remarks is in French, and the English translation is entirely different from the French text. In the French text he used the words which appear in the resolution now before the house:

Nous avons dans le Gouvernement trois nouveaux millionnaires depuis la déclaration de la guerre.

That means in English: We have in the government three new millionaires since the declaration of the war. But how is that sentence in the French text translated in the English version of *Hansard*? It is translated this way:

We have here in the cabinet three new millionaires who have made their money since the war's outbreak.

That is not the same thing at all; it is entirely different.

I have listened to some of the hon. gentlemen who have spoken, especially the hon. member for Wright (Mr. Leduc), who said: I do not accept the withdrawal of the hon. member for Laval-Two Mountains. But, Mr. Speaker, it is not for him to decide whether the withdrawal is sufficient or not. No one but yourself, Mr. Speaker, can decide whether the withdrawal of the hon. member for Laval-Two Mountains is sufficient to comply with the rules of the house. You, sir, are the only one in this house who may accept his withdrawal or not accept it.

I remember distinctly when I was sitting to the left of Mr. Speaker in the glorious times when Mr. Bennett was Prime Minister, I often had occasion to speak of Mr. Bennett, and in an innocent way sometimes I would say of him that he had a "million" air. Once I spoke in the house on very different lines. I was addressing Mr. Speaker and saying that we were all poor, that I was poor, that my deskmate, who has since died, was a poor man, that another hon. gentleman who was sitting in front of me and who is now in the senate was a poor man. The gentleman who is now a senator did not object to my saying that, but my deskmate said I should not have said it, that it is embarrassing sometimes to say that we are poor. Of course it is an embarrassment, but it is not a shame to be poor. But to say that a man is a millionaire or that he looks like a millionaire—is that such a terrible accusation? Many a time we will greet our friends and say: "You have a million-dollar smile." Is there any insult in that? The thing must be taken broadly.

I think that when a man with the pride which we know the hon. member for Laval-Two Mountains has withdraws in the terms in which he did, withdraws all that was offensive to any member of the house sitting on the treasury benches, he has done his utmost. What is there left to withdraw? There is nothing offensive left if he means what he said.

Further, the hon. member for Laval-Two Mountains has said that he had in mind the dollar-a-year men, and according to the rules of the house we must accept his statement. He said he had in mind those men who are giving their time to the government for a dollar a year and who are a part of the government. They are not members of the house. They are employees of the government and a part of the government. So much is that the case that when the clerks and stenographers of grades 1 and 2 who are assigned to their offices are asked where they work, they say: I am working for the government. Therefore, Mr. Speaker, I submit very respectfully to you that what the hon. member for Laval-Two Mountains has said in his withdrawal covers the case completely, and there is nothing left for the house to deal with, according to the rules that bind us all. I trust that you will consider what I have said, and I rely as usual on your wisdom to decide whether or not the withdrawal of the hon. member is sufficient according to the rules of the house.

Mr. LACOMBE: Mr. Speaker, on a question of privilege and to stop all this discussion, I withdraw unconditionally at the request of the Prime Minister the following words as reported in the French *Hansard*:

Nous avons dans le Gouvernement trois nouveaux millionnaires depuis la déclaration de la guerre. Nous les dénoncerons en temps et lieu. Les fortunes s'édifient.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, may I preface my remarks on this question by saying that I do not suppose there are two members of the House of Commons whose views are so diametrically opposite on most of the problems which confront us than those of the hon. member for Laval-Two Mountains and myself. But I was in the house when the hon. member for Laval-Two Mountains made his speech, and while I was able to follow it only imperfectly, I have given some consideration to it since. I would say as emphatically as I can that, particularly in a period of war, loose statements must not be made with reference to public men, public institutions or public services generally. I want to make my position perfectly clear in that respect. Whatever justification—and little justification can I see—there may be for such proceedings in time of peace, we now require the maximum of unity if we are to survive or if our institutions which are under attack are to be maintained. I was shocked at the statement which was made by the hon. member. I hope no other hon. members will follow his example. I trust that there will be no repetition of things of this kind. Reflections upon the government, upon parliament, upon public

men generally—yes, upon private individuals as well throughout Canada—cannot possibly be helpful in the struggle in which we are now engaged.

Having thus stated our position with respect to this matter, I would, however, say in the most kindly way to the Prime Minister that the motion now before the house seems to me to betray some anxiety, although I do not say, by design, to press this matter as quickly as possible to its full conclusion. I do not wish to reflect upon the Prime Minister's attitude in this regard, but in these days he, as well as all of us, must avoid the very appearance of evil in these matters. When the hon. member for Laval-Two Mountains was asked whether he had a statement to make, and rose in his seat and in the English tongue made a withdrawal which the Prime Minister, or perhaps I should say, Your Honour, found to be an imperfect withdrawal, the Prime Minister at once rose and moved the motion which is now before the house and which is being pressed so vigorously by the government.

Some mention has been made from the government benches about the matter of justice. Without reflecting in this connection upon the government or the Prime Minister, it seems to me that, in the moral realm, at least, the hon. member for Laval-Two Mountains should be given the opportunity in a gracious and benevolent way by the Prime Minister of unequivocally withdrawing the statement he has made. He has now made a further withdrawal, which I personally think is sufficient in the circumstances. We should be careful in these times to avoid the possibility of any misapprehension as to our dealings with a member of this house, no matter how we may disagree with him or how far his views may be opposed to ours. As the hon. member for Témiscouata (Mr. Pouliot) said a few moments ago, at a time when we are standing for the rights and privileges of the little man, the House of Commons is the place where we must exercise every possible care so that no one can assume that one of our members receives any less than the measure of consideration which we would give to members of the general public.

I am very earnest about this or I would not have spoken as feelingly as I have done, but, having listened to the remarks of the hon. member for Comox-Alberni (Mr. Neill) I am further confirmed in my opinion as to the right course in the circumstances. I ask the Prime Minister in all sincerity if he will not reconsider the whole matter in the light of the unequivocal withdrawal which the hon. member has made, so that we in this chamber will not give the public the impression that this matter is being pressed to a conclusion which only meets the wishes of the government; rather let us be charitable under the special circumstances which have arisen with respect to the hon. member.

I would add, before I sit down, that any such course should not be regarded as a slackening of our diligence and vigilance in defending our institutions. If it were to be so regarded the situation, of course, would be different. But when the hon. member has withdrawn the statement he has made, when the House of Commons has thus defended its privileges and those of its members, I think we may properly be satisfied without taking our full pound of flesh. Nothing is to be gained by pressing this to the conclusion which the government now seems so intent upon doing. I would range myself this afternoon in what I regard as defence of a member of parliament whose views I cannot accept and for whose conduct so far as this or the previous debates are concerned I offer no defence. It was not in the public interest for him to have said what he did, and I am sorry he did so. But, these things being borne in mind, surely it is the defence of our institutions and the maintenance of our privileges in which we are most interested. I trust the Prime Minister will find himself in agreement with the suggestion that, by accepting the hon. member's unequivocal withdrawal, we shall have defended our privileges and at the same time have served warning and administered a caution to everyone across Canada that they cannot make loose statements and, to use a vernacular term, "get away with it." But let us not, so to speak, go over the precipice by doing something which might be regarded in many quarters—although I make no such charge or allegation—as nearing the point of actual persecution.

Mr. DANIEL McIVOR (Fort William): I should like to ask a question. But first I would say that the only thing of real value which any of us possess is character, and when anyone insinuates that I as a member of parliament am in the way of being a millionaire, I say that that man's freedom of speech ends when injury to my character begins. I should like to ask you, Mr. Speaker, in the face of the statement which has been made by at least one cabinet minister that there will be no crop of millionaires during this war—and I think that is right—if it is not too late for the hon. member to stand up in his place and say, "I withdraw the statement—"

Some hon. MEMBERS: He did.

Mr. McIVOR. "—absolutely—"

Some hon. MEMBERS: He did.

Mr. McIVOR: "—as totally untrue"?

Some hon. MEMBERS: He did so.

Hon. P. J. A. CARDIN (Richelieu-Verchères): I have one or two observations to make with reference to the question that has been raised touching the statements made by the hon. member for Laval-Two Mountains.

You, Mr. Speaker, drew to the attention of the house the fact that the incident had been given wide publicity in Canada and that was the chief reason, according to my understanding of your decision, why you invited the hon. member for Laval-Two Mountains to make a statement. If the statement was given wide publicity, do you not think, sir, that an investigation will provide much wider publicity for something that should not have been said by the hon. member and which he has retracted? When the investigation is being carried out by the committee on privileges and elections, an open investigation, who is to stop the reporting of the proceedings and the interpretations that will be given to every word uttered before that committee? Where will be the end to the wide publicity that will be given to an unwise statement made by the hon. member? That is one point.

The Prime Minister protested, and rightly so, against the assertion of the hon. member for Laval-Two Mountains. On page 4073, at the top of the page, the right hon. gentleman made this statement:

> I submit, Mr. Speaker, that the hon. member should be obliged either to withdraw the statement completely or else to convert it into a specific charge to be investigated in the usual manner.

I suggest that the hon. member for Laval-Two Mountains has agreed to the request of the Prime Minister that he should withdraw the statement completely. He did withdraw the statement completely. He withdrew it on two occasions. First of all he did it when Your Honour requested him to make a statement after you had given your ruling; and when his withdrawal was criticized on the ground that it was not complete, the hon. member rose again on a question of privilege and clarified it, stating that he was withdrawing word for word what he had said; the very words that are included in the motion made by the Prime Minister.

What will be the result of the motion? In the first place, what is the effect of the withdrawal of the statement of the hon. member for Laval-Two Mountains? It removes that statement from our records. The motion declaring that the hon. member for Laval-Two Mountains has made a certain statement is not therefore in accordance with the facts after the hon. member has withdrawn that statement. That is the situation as it appears to me at the moment. There is nothing to refer to the committee on privileges and elections. The statement referred to in the motion has been withdrawn by the hon. member for Laval-Two Mountains.

I need not repeat that I do not defend the hon. member for Laval-Two Mountains; I have been in disagreement with him on certain occasions. But I submit that it is a matter of justice and fair play. If there is something wrong in the publicity given to the incident, we should not go one better in widening that publicity by having a standing committee investigate a statement which, as I say, does not exist any longer on the records of the house.

According to standing order 41 of the House of Commons, when a member makes a statement which is injurious or unfair to another member and, on complaint, withdraws it, the incident is forgotten. It is all over. In my experience in parliament I have heard many misstatements made which were more serious and more definite than the general assertion made by the hon. member for Laval-Two Mountains in a moment when he forgot himself. But when the attention of the offending member, on such occasions as I instance, was drawn to the charge he had made and he was asked to withdraw it, he would agree to the request and the matter was closed.

I submit very respectfully that there is nothing to investigate and that we are losing time discussing such a question and trying to inquire into something that no longer exists as a matter of record. It has been withdrawn.

Mr. SPEAKER: I would point out that when the withdrawal was made by the member for Laval-Two Mountains it was not an unqualified withdrawal. The right hon. the Prime Minister then made the motion which is now being discussed. The matter therefore is not in my hands as Speaker; it is within the jurisdiction of the house, and the house must decide what it will do with the motion that is now before it.

Mr. CARDIN: All the speeches that have been made since the motion was submitted have referred to the withdrawal which the hon. member for Laval-Two Mountains made, and no one raised any objection. Everyone admits that the hon. member for Laval-Two Mountains has withdrawn the statement. Without desiring in any way to approve the assertions made by the hon. member, I want to point

out that he has several times expressed his willingness to remove the impression that may have been created by his words, and join with those who preceded me, and particularly with the leader of the opposition, in appealing to the government and to the Prime Minister to show some leniency under the circumstances by withdrawing his motion.

Right Hon. W. L. MACKENZIE KING (Prime Minister): In concluding the discussion, it might be well for me to recall to hon. members the sequence of events from the beginning, and also to give the reason why I have taken the course I have. References have been made to myself as Prime Minister and as moving in this matter in that capacity. I should like to remind the house that in the office of Prime Minister I fill yet another position, which is that of leader of the house, and it is a part of my duty as leader of the house to seek above everything else to protect the privileges of hon. members. I hope, therefore, that hon. members will believe that in the course I have taken I have been actuated primarily by the last consideration. I must say that the moment my attention was drawn to a statement which reflected upon the members of the cabinet, as Prime Minister I spoke on such immediately. I would certainly have been accused of possessing a strange degree of irresponsibility or of laxity had I not at once taken steps to demand that an investigation should be made into any allegations or imputations if there was the slightest foundation in the world for them. It was not so much a loose statement as it was specific, for the *Hansard* in the French version shows that reference was made to three cabinet ministers. That is a pretty direct statement and would imply that the hon. member had at least some knowledge upon which he was basing his statement.

What I have felt about the importance of an investigation is that the public mind would wish to be thoroughly satisfied that there was no ground whatever for any statement of the kind, as I certainly believed there was not. The hon. member for Laval-Two Mountains has himself made pretty clear this afternoon that he had not any ground for making the statement which he did. However the statement was made on Friday night in French. I was not in the house at the time, but when I came into the house on Monday my attention was drawn to it. When I read it I at once felt it to be my duty, both as Prime Minister and as the leader of the house, to rise and draw attention to the statement that had been made and ask either that it should be completely withdrawn or that the hon. member should make a specific charge and undertake to support it. And if, after investigation it were found that there was no ground for it, then the hon. member would have to resign his seat. If I had not taken that step, what would have been the attitude of some hon. gentlemen who this afternoon have been saying to me that I have been pressing matters unduly? I may say to the leader of the opposition that I think I have about as sound a moral sense as he or any other hon. member. When he used the expression he did this afternoon referring to the moral attitude—

Mr. GRAYDON: No.

Mr. MACKENZIE KING: I took down the hon. member's words. Perhaps he will be surprised when he reads his exact words.

Mr. GRAYDON: Those are words I have never used.

Mr. MACKENZIE KING: I venture to say that if *Hansard* were read this afternoon it would show that he used the word "moral" because I took it down as his lips uttered it. However, I do not wish to stop at a small point of that kind. What I want to say is that I think I have just as fine a sense of chivalry, or, if my hon. friend does not like the term, morality, as my hon. friend. Reference has been made to tempering justice with mercy. But I do not think anyone can say that at any time in my public life I have tried to be other than generous and gracious in my attitude towards others. That has been my attitude toward men who have been my bitterest political opponents. I challenge anybody to say that in the course of my public life I have at any time taken advantage of any rule or opportunity to try to destroy a political opponent or to belittle him in any way. That is something I hope and pray and believe is foreign to my nature. However, on Monday my duty clearly was to draw the attention of the house immediately to the statement made by the hon. member for Laval-Two Mountains.

Now then, what happened? Yesterday, Tuesday, when the house opened the hon. member was in his seat. I waited to see if he would rise and retract what he had said. I waited to see if His Honour the Speaker would direct the attention of the hon. member, as he has done to-day, to what was the correct course of procedure. Nothing was said at the time. I felt that if I were to rise immediately, possibly just what has been said by some hon. gentlemen opposite would be

said, namely, that I was unduly impatient in pressing the matter and was anxious for political reasons to have the hon. member put in a difficult and unpleasant position. I let the matter stand over simply because I wished to be careful not to have any possibility of any misunderstanding of the kind arise.

The hon. member said nothing; he let the opportunity go by, and then what did he do? To the press he gave an interpretation of his words which if anything enlarged the insinuations and imputations so that they became reflections not merely on members of the ministry but upon the supporters of the government in their entirety. I therefore made up my mind that my duty was to introduce a motion of the kind which I have introduced to-day unless on coming into the house the hon. member was to make full retraction of his statement. When hon. members assembled, His Honour the Speaker gave to the house the statement which is now on record as to what he as the Speaker of this house believed was the course which should be taken. When I spoke on Monday I did not make any request of the hon. member. I made a statement to His Honour the Speaker as to what I believed was the proper procedure in a matter of this kind. I felt it was my duty to direct the attention of His Honour the Speaker and of hon. members of the house generally to, or to remind them of, the procedure that should be followed. The words that I used were the following:

> I submit, Mr. Speaker, that the hon. member should be obliged either to withdraw the statement completely or else to convert it into a specific charge to be investigated in the usual manner, and the consequences of the investigation also to be followed up in the usual manner.

If I had made no reference to the procedure or the steps that should be taken, I should have been at fault in my position as leader of the house seeking to maintain its rights and privileges. To-day His Honour the Speaker has made to the house a statement which accords fully with the procedure I outlined. His Honour has drawn to the attention of the hon. member for Laval-Two Mountains the fact that there are two courses open to him: either he must withdraw unconditionally, or he should make a charge and ask that it be investigated, with the consequences of the investigation as they may happen to be. Up to that time I had said nothing. The hon. member for Laval-Two Mountains rose in his place but he did not make an unconditional withdrawal of his statement. Instead of that he used language which would make it possible for him to say that he had never made an unconditional withdrawal.

Mr. HANSON (York-Sunbury): He said that he had not used the language attributed to him in the English version as given by the Prime Minister on Monday. I think that would be a correct interpretation of what he said.

Mr. MACKENZIE KING: He also used certain qualifying words which at the moment I have forgotten. First, his withdrawal was quite conditional. What impressed me at the time he spoke was that he not only did not withdraw his statement; he went farther in his insinuations against others by intimating to this house that while it might not have been members of the administration who had become millionaires, there were gentlemen in the public service to-day who were giving their services to the country at a time of war but who had used their positions to become millionaires. That was a reflection upon a still larger group, composed of those who at this moment are seeking to assist the nation in the carrying on of the war effort. If I had allowed that kind of explanation to go as a withdrawal, I wonder what would have been said to me as to my anxiety not to press the matter. It would have been said I wished to get out of having any investigation at all because it might reflect upon members of the administration or my own followers.

As I say, my hon. friend made no unconditional withdrawal. It was then I introduced the motion, and only then. As a result of the considerate attitude which I took in this house yesterday, what impression has been given to the public in the press of to-day? If hon. members will look at this morning's newspapers, they will see it reported as I have no doubt many of them have, in more than one journal that because the Prime Minister did not proceed with further action yesterday in order to have this matter investigated there were all kinds of murmurings in the corridors, that there were expressions of discontent among his own following and others for his not having gone on with the matter immediately; and the impression would be and I have no doubt has been left in the minds of a large number of persons in this country that I was deliberately seeking to avoid pursuing the matter further. Could I have taken any course to-day other than to demand that at least this matter be referred to the committee on privileges and elections, without permanently leaving in the minds of many citizens of Canada the feeling that I had neglected to press this matter further because there were in my own mind reasons which made it inadvisable so to do? It is easy

enough to criticize and to say that if a certain course is taken you are persecuting a man; but the very hon. gentlemen who have directed words of that kind to me here are those who had the position been otherwise, would have been saying in this house this afternoon or a little later on that I was the one who had come along very boldly and demanded an investigation but, knowing what I do about the situation generally, I had not pressed the matter later in the house.

Mr. HANSON (York-Sunbury): Oh, oh; we never said a word.

Mr. MACKENZIE KING: That is exactly the case. I have been too long in association with some hon. gentlemen opposite not to know that what I say is true; and may I say to my hon. friend that I think probably he would have been one of those who would have wondered very much, and would have said something about it, if I had not taken the course I have pursued this afternoon.

Mr. HANSON (York-Sunbury): Now I rise to a question of privilege. The right hon. gentleman is transgressing the rules by imputing improper motives to me, and I ask him to take back that statement. When I have anything to say to the Prime Minister I am going to say it here, and I should like to remind him while I am on his feet —

Some hon. MEMBERS: Oh, oh.

Mr. HANSON (York-Sunbury): I did not intend to convey the impression that I was tramping on the Prime Minister's feet. I am not trying to do that, but I should like him not to forget the fact that subsequently in the course of events the hon. member for Laval-Two Mountains did withdraw the very words attributed to him in the French language. So that the Prime Minister got the retraction for which he asked on Monday. I think the Prime Minister should withdraw the imputation against me.

Mr. MACKENZIE KING: My hon. friend and I are too good friends for me to wish to leave any unfair implication in regard to him. I was only saying what I thought might possibly be the case, but I hope he will believe that I said it in all kindliness.

Mr. HANSON (York-Sunbury): Well, no; you do not say these things in that way, in all kindliness. I demand, Mr. Speaker, the unconditional withdrawal of the expression used by the Prime Minister. He said it in order that there might be a sting in it.

Mr. MACKENZIE KING: Well, I have said a good many things to my hon. friend but I do not think I have said many with a view to having a sting in them. I have said some things that I hoped would serve to remove all stings between us.

Mr. HANSON (York-Sunbury): I would agree with that entirely; very kind words, too.

Mr. MACKENZIE KING: The last thing I would wish at the moment would be to say anything unkind, and if it pleases my hon. friend to have me withdraw unconditionally what I said, I shall do so at this moment, totally and completely.

To come back to the next stage of the matter I was discussing, I wish to draw the attention of hon. members to the fact that the hon. member for Laval-Two Mountains had his opportunity to withdraw unconditionally before I moved any motion at all. The Speaker had given him the opportunity; but when he rose, instead of withdrawing unconditionally, as I have said, he enlarged his imputation so as to embrace other persons in the public service. It was not until after he sat down, and the house was waiting to see what step I would take, that I brought forward the motion I had prepared this morning, which I intended to introduce this afternoon unless the withdrawal was made. So that there was no haste on my part in moving the motion, and I do not think I can be charged with having pressed this matter unduly or with a desire for persecution. It was only after the hon. member saw that if this motion carried, as without retraction on his part it was certain to carry, he would have to appear before his fellow members of this house and either support what he said or wholly withdraw it, probably with an explanation that he might not have wished to give at this time, that he rose and made a further statement. That statement was made after the hon. member for York-Sunbury had risen to support him in his view that he should not be pressed further. Prior to that time, he had not made an unconditional withdrawal and it was not until the motion was before the house and he saw its consequences that he rose and said he was prepared to withdraw. But he did not withdraw unconditionally even then. All he said was that the expense of holding an inquiry would be too great; he gave as another reason that of the delay and loss of time that would result, and therefore, he said, for these reasons he would withdraw.

If the matter had been allowed to rest there I ask hon. members of this house what would be the next thing we would hear from the hon.

member when addressing the people of his own province. He would say that he had withdrawn the statement only to save public money and to save the time of parliament in a period of war. Yet I am now being accused of trying to make a martyr of the hon. member because I wish this matter thoroughly investigated. I have been listening carefully to what has been said from all parts of the house. I have made no request; I have left it to the hon. member himself to say whether he withdraws his statement completely. I do not wish him to say that he is withdrawing to-day at my request. It is a question not of any request on my part but of what he owes to this House of Commons. So I say to him that unless he is prepared to make the statement that his withdrawal is made because of what he feels he owes to this House of Commons, in view of the statement he made, I am not prepared to withdraw my resolution. However, if the hon. member is prepared to say that he withdraws the statement completely because it reflects upon hon. members of this house and that he regrets having made it, in the light of the discussion that has taken place here to-day I am quite prepared not to press the motion further. I say the hon. member owes it to this house to make his position perfectly clear in both regards.

Mr. LACOMBE: I would ask the Prime Minister to repeat what he said a few moments ago. I could not hear every word of the last statement he made.

Mr. MACKENZIE KING: The statement was very simple. I say to the hon. member I am making no request of him. I am leaving to him, in the light of the statement which His Honour the Speaker has made, of the proper procedure to be followed in a case where a member has reflected improperly upon other members of the house to be the right course. I suggest to him to rise in his place and declare that what he is saying is to the members of the house, not that it is in compliance with some request of the Prime Minister, and that he regrets having made a statement which has reflected upon hon. members. If he does that I am quite prepared not to press my resolution. I think it is a course which he owes the House of Commons.

Mr. HANSON (York-Sunbury): That is a very generous statement.

Mr. LACOMBE: It is not at the request of the Prime Minister, or at the request of any other member of the cabinet, or any other member of the House of Commons, that I withdraw the following words which I quote from page 4042 of *Hansard* for June 25, 1943:

Nous avons dans le Gouvernement trois nouveaux millionnaires depuis la déclaration de la guerre. Nous les dénoncerons en temps et lieu. Les fortunes s'édifient.

Mr. GARDINER: Finish it.

Mr. MACKENZIE KING: I think the hon. member, in view of what he has just said, should express his regrets to the house, if he wishes me to withdraw my motion. I would expect him to do that for hon. members because he has reflected upon the membership of this House of Commons. That he should do so is owing to the membership.

Mr. LACOMBE: I asked a few moments ago that the Prime Minister repeat the words he spoke so fluently. I understood that he asked me to state in the house that I regret my words. I regret the words, if I have offended any of my colleagues of the House of Commons, or any members of the House of Commons or of the cabinet.

Mr. GRAYDON: That is fair.

Mr. MACKENZIE KING: I would ask that the motion be withdrawn.

Motion (Mr. Mackenzie King) withdrawn.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

NEWSPRINT PRICES

Mr. COLDWELL:

1. What was the price of newsprint in September, 1939?

2. What was the basic price in October, 1941?

3. Has permission been given since to advance the basic price? If so, by what amount, and at what date?

4. Has an application for a further increase been received? If so, when, and what is the amount of the increase requested?

5. Has a decision been reached? If so, what is the decision?

Mr. ABBOTT:

1. In September, 1939, the generally recognized basic price for standard newsprint in white rolls and in carload lots delivered at New York was $50.00 per ton of 2,000 lbs.

2. In October, 1941, the basic price had not changed from that of September, 1939.

3. Effective on March 1, 1943, the maximum price of newsprint was advanced by $4.00 per ton.

4. On August 26, 1942, the newsprint administrator of the wartime prices and trade board received from Canadian newsprint com-

panies an application for an increase in the price of newsprint. Since that time there have been continuing applications and representations from the industry on the question of price. Instead of requesting a specific increase, the industry has adopted the method of submitting cost figures for examination to assist in determining an equitable price that will maintain essential production of newsprint.

5. Approximately 94 per cent of the total Canadian production of newsprint is exported, (85 per cent to the United States, which represents approximately 75 per cent of their newsprint requirements) and practically all production is controlled by the ceiling price of newsprint in the United States. Frequent discussions are therefore held between the United States and Canadian government authorities in connection with the price and supply of Canadian newsprint. The determination of the domestic price for newsprint must await a decision as to the level of production necessary for essential requirements and the price of newsprint to customers in the United States will depend on the outcome of current discussions with United States government authorities. It is expected that both questions will be answered in the near future.

OLD AGE PENSIONS

Mr. REID:

What provincial governments have made representations since 1940 and up to the 16th of June, 1943, (a) for amendments to the Old Age Pensions Act; (b) for an increase in the amount of pensions?

Mr. ABBOTT:

(a) and (b).

British Columbia

British Columbia has asked that the amount paid to pensioners should be increased but has not requested that the Act be amended.

The province is paying supplemental allowances to pensioners.

Alberta

Alberta has requested an amendment to the act to provide for a maximum pension of one dollar per day and for a pensionable age of 60 years.

The province is paying supplemental allowances to pensioners.

Saskatchewan

In a resolution passed by the Legislative Assembly of Saskatchewan, it was recommended that the dominion should be requested to amend the act to provide for an increase in the maximum pension.

The province has made provision for paying supplemental allowances to pensioners.

Manitoba

The report of a select special committee recommended that the Manitoba government make strong recommendations to the dominion government to the effect that the maximum old age and blind pensions be increased from $240 to $300 a year and that the income limit be changed from $365 to $425 a year, the act to be amended accordingly. The report was concurred in by the Legislative Assembly of Manitoba. The government of Manitoba recommended to the government of Canada the adoption and the bringing into force of what was embraced in the report of the select special committee.

The province is paying supplemental allowances to pensioners.

Ontario

Ontario advised the dominion that the matter of increasing pensions had been under consideration by the provincial government and stated that it was hoped that the dominion would participate in such an increase. The province did not request that the act be amended.

The province has announced that it will pay supplemental allowances to pensioners.

New Brunswick

The Legislative Assembly of New Brunswick passed a resolution asking the New Brunswick government to request the dominion government to amend the act to provide for an increase in the maximum pension from $20 to $25 per month.

The province has not indicated what its intention is regarding the payment of supplemental allowances.

Nova Scotia

Nova Scotia requested that the act be amended to increase the basic rate of pension from $240 to $300 per year.

The province has made provision for paying supplemental allowances.

PURCHASE OF RED CLOVER SEED IN UNITED STATES

Mr. CARDIFF:

1. Was red clover seed purchased in the United States by the agricultural supplies board, or any department of the Canadian government, during the last nine months?
2. If so, how many pounds were purchased?
3. What price was paid per hundred pounds?
4. Was any duty paid on the imported seed?
5. If so, how much?
6. Was the import tax of 10 per cent paid?

7. Was payment made in American funds? If so, at what rate of exchange?
8. What was the total cost to the government per hundred pounds?
9. What was the price per hundred pounds at which the seed was sold to the Canadian trade?
10. How many pounds were sold in Quebec, and how many in Ontario?
11. Who purchased the seed for the dominion government?
12. Was he paid a commission or straight salary?
13. If so, in what amount?
14. What grades of seed were purchased?
15. How many pounds of each?
16. Was any Oregon seed purchased?

Mr. GARDINER:

1. Yes.
2. 787,150 pounds.
3. Average price per 100 lbs. $29.26 United States funds.
4. Yes.
5. $17,711.03.
6. Yes.
7. 11 per cent was rate of exchange.
8. Average cost per 100 lbs. $39.46 Canadian funds.
9. Average ceiling price per 100 lbs. $29.48.
10. Amount of seed sold in Ontario 248,405 lbs. Amount of seed sold in Quebec 538,307 lbs.
11. Nelson Young under direction of agricultural supplies board. He had the assistance of Mr. Wm. Ewing of the Wm. Ewing Company, Montreal.
12. Mr. Young received no compensation other than his regular salary as assistant director, production service, plant products, $4,920.00 per annum. Mr. Wm. Ewing was paid an expense account amounting to $45.88 covering telephone, telegrams, and one trip from Montreal to Ottawa.
13. See answer to No. 12.
14. No. 1 seed grade, No. 2 seed grade, No. 3 seed grade.
15. 374,787 pounds of No. 1 seed; 391,820 pounds of No. 2 seed; 20,550 pounds of No. 3 seed.
16. It is believed that one car amounting to 60,000 pounds, originated in Oregon.

TRUCKS DELIVERING BEER AND COLLECTING EGGS

Mr. NICHOLSON:

1. How many trucks delivering beer exclusively have been permitted to operate beyond the thirty-five mile radius?
2. How many trucks belonging to wholesale produce dealers have been permitted to operate beyond the thirty-five mile radius to collect eggs?

Mr. ABBOTT:

1. 203. An overall reduction of at least 60 per cent has been effected in the aggregate mileage of trucks delivering beer. There would be no material advantage in forcing a diversion of any part of the present beer traffic to public truck carriers, which type of vehicle is exempted under Order A-314 from the 35 mile limit, as brewery trucks are specially designed for economic transportation of this product and full loads are carried on both outward and return trips.

2. 126. Permits have been granted in the ordinary course to applicants whose normal operations take them beyond the 35 mile limit where such operations do not encroach on districts already served adequately. In addition, trucks authorized to collect "farm produce" are also entitled to collect eggs but information is not available as to how many of these are actually collecting eggs.

INCOME TAX—INSURANCE—CASH SURRENDER VALUE

Mr. WINKLER:

1. Does a policy-holder of limited payment life insurance policies have to pay income tax on any part of the cash surrender value when accepted of such policy regardless of the date of issue?
2. Regardless of date, is such cash surrender value when accepted subject to income tax on reserve or accumulated deferred dividends, if any, or both?
3. On funds set aside by payment into life insurance policies to buy a deferred annuity, is income tax applicable to cash surrender value when accepted before the annuity begins?

Mr. GIBSON:

1. No.
2. No, in neither case.
3. No.

CANADIAN FORCES OVERSEAS—REINFORCEMENTS

Mr. ROY:

Are any conscripts component of the army divisions available for reinforcement to our troops overseas?

Mr. MACDONALD (Halifax): Personnel called up under the National Resources Mobilization Act who have not enlisted for general service are not available as overseas reinforcements until the necessary action is taken to extend the scope of their service.

WARTIME PRICES AND TRADE BOARD—VANCOUVER MEATS OFFICER

Mr. O'NEILL:

1. Is Mr. J. C. Leaman serving as meats officer with the wartime prices and trade board at Vancouver, British Columbia?
2. If so, how long has he been with the said board?
3. If not, was he dismissed, did he resign, or has he been transferred?
4. If transferred, where is he now located?

Mr. ABBOTT:

1. Mr. J. C. Leaman was employed by the wartime prices and trade board on January 27, 1942 as investigator and later became foods officer. On March 27, 1943 he resigned effective June 7, 1943.

2, 3 and 4. Answered by No. 1.

ALUMINIUM LIMITED—CONTRACT AND PREVAILING PRICE

Mr. COLDWELL:

1. Has the government, or any department or official of the government, been approached by the Aluminium Limited with an offer or proposal to make any refund of sums of money in connection with contracts secured early in the war when the price of the company's product is said to have been higher than the prevailing price?

2. In view of the minister's statement regarding the basic price and operation of the escalator clause, as reported at page 3828, *Hansard*, June 21, 1943, what steps have been taken by the government to recover from the company such sums of money as may represent overcharges for their product?

Mr. ABBOTT:

1. No. The Department of Munitions and Supply is not aware that aluminum has been sold to any government at higher than the prevailing price current at the date of delivery of the product.

2. So far as the Department of Munitions and Supply is aware, no overcharges have been made by the Aluminum Company of Canada Limited with respect to aluminum ingot sold, and therefore no steps have been taken.

Note: Refer to page 3828 of *Hansard*—minister's statement on contracts and escalator clause.

QUESTIONS PASSED AS ORDERS FOR RETURNS

WARTIME PRICES AND TRADE BOARD—EMPLOYEES RECEIVING OVER $3,000

Mr. DIEFENBAKER:

1. Who are the employees who receive over $3,000 a year in the employ of the wartime prices and trade board, and where are they located?

2. What honorarium, living or other allowance, and travelling expenses, have been paid to each of the said employees since appointment?

3. Which of said employees are permanent civil servants? Which were appointed under the Civil Service Act?

CANADIAN NATIONAL RAILWAYS—MONCTON-HALIFAX-CAMPBELLTON

Mr. ISNOR:

1. How many Canadian National Railway passenger trains are operated daily between Moncton, N.B., and Halifax, N.S.?

2. With respect to these trains, (a) what are the numbers or names of each; (b) number of regular stops made by each; (c) mileage between each stop; (d) total mileage in run; (e) population of each place of stop; (f) time taken to complete trip; (g) the daily average number of persons reaching Halifax for month of May, 1943?

3. How many daily trains are running between Moncton, N.B., and Campbellton, N.B.?

4. With respect to such trains, (a) what are the numbers or names of each; (b) number of regular stops made by each; (c) mileage between each stop; (d) total mileage in run; (e) population of each place of stop; (f) time taken to complete trip; (g) the daily average number of persons reaching Campbellton for month of May, 1943?

HOUSING—PERMITS TO SENATORS OR MEMBERS OF THE HOUSE OF COMMONS

Mr. FRASER (Peterborough West):

1. Were there any permits issued to senators or members of the House of Commons for the construction of houses during the period from September 1, 1942, to June 1, 1943?

2. If so, to whom were permits issued?

3. In each case, what is the amount of the permit?

4. Where is the property situated?

5. Is there any check to keep the construction within the limits of the permit?

WARTIME HOUSING LIMITED—PURCHASE OF PLYWOOD

Mr. CASTLEDEN:

(a) What quantity of plywood has been purchased by Wartime Housing Limited; (b) what was the total amount paid for this plywood; (c) from what manufacturing firms or agents was this plywood purchased?

MOTIONS FOR PAPERS

NATIONAL FINANCE COMMITTEE

Mr. DORION:

For a copy of the minutes and report of the meetings of the national finance committee, which took place in Ottawa on December 9, 1936, and the following days, under the chairmanship of the Minister of Finance.

Mr. ILSLEY: Mr. Speaker, I explained to the house the other day that these are the minutes of a meeting which, it was agreed between the representatives of the dominion and those of the provinces, would not be made public. For this reason, and other reasons I stated the other day, I have to take exception to the passing of this motion.

Mr. DORION: In view of the fact that the other day when this motion was called the first time, the Minister of Finance endeavoured to show that it should be dropped, I believe it is my duty to make just a few remarks in support of the motion. The first reason given by the minister was that an arrangement had been made between

the government and the provincial representatives to the effect that the minutes of these meetings should be kept secret. I quote these words of the minister as they are reported at page 3694 of *Hansard:*

The minutes of the meetings of the national finance committee which took place in Ottawa on December 9, 1936, and the following days, under the chairmanship of the Minister of Finance, were understood to be for the guidance and information of the members of the committee only, and not to be made public.

Further on he said:

But I must take the position, in view of the arrangement with the provinces, thoroughly understood and agreed upon, that the minutes themselves are not producible.

I must say that if there was such an arrangement it cannot bind the House of Commons. My contention is that the people of this country, through the members of the house, have the right to know what is going on in these committees where sometimes very important decisions are made. Furthermore I must say I am informed from reliable sources that there never was such an arrangement between the provinces and the government.

The other reason given by the minister is found in his last remarks, when he said, as reported at page 3696:

To complete the record, I wish to state that in my judgment it is not in the public interest to produce these.

That is, these documents. I believe, Mr. Speaker, that we have too often been misled by the use of this expression "in the public interest", because the question is not whether it is or is not in the public interest to produce a document but whether its production would cause injury to the public interest. That is entirely different. I do not think the minister would be ready to state that the production of these documents would cause injury to the public interest.

Further, my contention is that the public would be much interested in knowing what has taken place at these meetings. We find in the "Canadian Annual Review" for 1935-1936, at page 86, some information about these meetings, and I quote a few lines to show that the public would be very much interested in knowing what went on there:

The first meeting of the national finance committee took place in Ottawa on December 9, 1936, under the chairmanship of the Minister of Finance. The meeting was attended by more than fifty government ministers and officials.

It says further:

At the close of the first session an official communique said that the committee "continued its discussion of the services that could be rendered by the Bank of Canada to provincial governments, and of the possibilities of a greater degree of coordination in governmental borrowing in Canada."

And further:

Taxation was also brought up with several of the provinces urging that certain sources of revenue exclusive to the dominion should be turned over in a measure to the provinces.

And finally:

In particular it was emphasized that the developments of the last 70 years, especially the increasing activities of governments in the field of social welfare, make it necessary to review the allocation by the British North America Act of sources of revenue and governmental responsibilities to dominion and provincial governments. Further discussions on this question were to take place.

Representatives of the province of Ontario raised the question of overlapping services of government in the field of agriculture, health, labour, etc., and suggested the appointment of a committee of officials to consider this question with a view to reducing the cost of government.

In conclusion, Mr. Speaker, I believe I am asking something very reasonable, just and fair in asking that this motion be carried.

Mr. HANSON (York-Sunbury): Mr. Speaker—

Mr. SPEAKER: This motion is not debatable. I allowed the hon. member to speak in introducing his motion, thinking he was going to speak to a point of order as to why he insisted on the production of the documents.

Mr. HANSON (York-Sunbury): Then I should like to speak to the point of order if a point of order has been raised.

Mr. SPEAKER: Standing order 51 states:

Notices of motion for the production of papers which the member asking for the same intends to move without discussion, shall be marked by him with an asterisk and shall be placed by the Clerk on the order paper above "Notices of Motions" under the heading "Notices of Motions for the Production of Papers". All such notices when called shall be forthwith disposed of; but if on any such motion a debate be desired, it will be transferred by the Clerk to the order of "Notices of Motions."

Mr. HANSON (York-Sunbury): Is this not marked with an asterisk?

Mr. SPEAKER: Yes, and therefore it is not debatable. The question has already been before the house, and the minister then took the position that he could not in the public interest produce these documents.

It is true that when a document—

Mr. HANSON (York-Sunbury): If Your Honour will pardon me, is Your Honour about to give a ruling on the point of order because, if so, I should like to speak to it.

Mr. SPEAKER: The hon. member may proceed to speak to the point of order.

Mr. HANSON (York-Sunbury): Mr. Speaker, I do wish to speak to the point of order by reason of the circumstances under which the minister took exception the other day to the passing of this motion. I have not his language before me at the moment, but I do not think he took the position then that he is taking to-day. He said to-day that his position was based on an agreement made between the representatives of the provinces and the Minister of Finance that the discussions would be held secret. May I point out to the minister two things. The motion does not call for the evidence taken in these discussions; it calls for a copy of the minutes and a report, I assume, of what was eventually decided. This would be the complete minutes. But the motion does not ask for a report of the discussion. I submit that this is a matter of public importance and that an alleged arrangement to keep that part secret could not possibly be binding on the House of Commons. The minister should not be in the position to make such an arrangement. It is not in the public interest that he should make such an arrangement. The minutes are merely a record of the decisions reached. The hon. member does not ask for the evidence; I would not ask for the evidence. But on a matter of such enormous importance as this I submit that the motion is in order and that any arrangement made that was without the jurisdiction of the minister is not binding on the House of Commons.

Mr. ILSLEY: Mr. Speaker, there was, so far as I know, no report made to anybody.

Mr. HANSON (York-Sunbury): Then there will be nothing to bring down. That wipes that out.

Mr. ILSLEY: This motion can mean nothing unless it means that the stenographic report of the meeting, the minutes and the report, be produced. It was agreed that for the convenience of the press a statement would be given out at the conclusion of each day, and I assume that it is from one of those statements that the hon. member has been reading. I am not sure just what he has been reading from.

Mr. DORION: From the "Canadian Annual Review" for 1935 and 1936.

Mr. ILSLEY: That was no doubt based on the reports that were given to the press at the end of each day. I stated on a previous occasion that I would have no objection to producing those, but I assume that the hon. member would not be satisfied with that because they are already public property.

Mr. HANSON (York-Sunbury): That is all he is asking for, technically.

Mr. ILSLEY: His motion has no meaning unless it calls for the production of the stenographic report and the minutes, and that I am not at liberty to produce.

Mr. GRAYDON: If I may speak to the point of order, during the last discussion in connection with this matter, the point was raised, either by the hon. member for York-Sunbury or myself, as to the necessity of the minister laying upon the table of the house the report and the minutes which he had in his hand. He read from that report and those minutes a certain excerpt, and having done so, he was then, according to the rules of the house, under obligation to table the document. That is as many hon. members, I believe, interpret the rules. The minister then objected, and, adding another string to his bow, he said that if he had inadvertently stumbled into this position he wanted to object to the tabling of the document because, he said, it was not in the public interest.

Mr. ILSLEY: Neither it is.

Mr. GRAYDON: I have the *Hansard* reference here. The first ground he took was that of confidentiality; in other words, he contended that it, being a matter of agreement between those representing the provinces and the dominion, was not a producible document and should not be in the public hands. Then, after I had summoned to my aid the long experience and intimate knowledge of the rules of the Prime Minister, who on this occasion at any rate found himself in agreement with me, the Minister of Finance shifted his ground.

Mr. ILSLEY: No, I did not.

Mr. GRAYDON: Perhaps I should not say he shifted his ground, because one thing the Minister of Finance does not do is shift very far.

Mr. ILSLEY: I wish to ask the hon. member whether he thinks it is in the public interest to break agreements with provinces.

Mr. GRAYDON: The minister realizes that I cannot say there has been an agreement between the provinces and the dominion. But if my hon. friend wants to ask me that question, I will ask him if he does not think that he himself was breaking that very trust when he read part of that document.

Mr. ILSLEY: I certainly was not.

Mr. GRAYDON: That is why the rules provide that, where there is a confidential document, neither the minister nor anyone else must read from it. If I am to answer the question which the minister has now raised, I will say the answer is in the minister's hands. He himself admitted that it could not have been a confidential document; otherwise he himself should not have read from it. I realize the minister committed an error.

Mr. ILSLEY: I do not think I did.

Mr. GRAYDON: The minister for years has never been very good at admitting any errors.

Mr. ILSLEY: I do not admit one here.

Mr. GRAYDON: I am not going to press the matter because I do not think there is any particular point in it, though I still have my own ideas. The minister himself said, "if he had inadvertently stumbled". You do not stumble unless you have made some little mistake. Having added ground to the position he originally took, it seems to me that he weakened the first one. The more you add to your first argument, the weaker, I think, the original becomes. However, I do not say that we can afford to be too technical about these matters. But this comes within the purview of a policy which the government is pursuing far too often. Confidence is not being shown to the house to the degree to which we are entitled, and here is one of the examples. The minister himself will recall that only a few weeks ago we had another instance of it. I want to show the fallacy of all these arguments about public interest. A motion was made for the adoption of the report of the advisory committee on the civil service headed by Mr. H. J. Coon. With respect to the tabling of that committee's minutes and report the minister took a parallel position to the one he is now taking. The one case coming on top of the other, it seems to me that this house must rise up and object to the situation. On that particular occasion the minister pointed out that this, of course, was a confidential report; that it should not be tabled because it had all the elements of confidentiality.

Mr. GOLDING: The hon. member is referring now to a debate which has already taken place this session.

Mr. GRAYDON: Oh, well, now—

Mr. GOLDING: I rise to a point of order.

Mr. GRAYDON: I am going to start my own debate on this occasion and I am not going to worry about the one that has gone by. This has a direct bearing on this particular debate, or I would not have mentioned it. When this was submitted to the house the minister found he was not able to command the support even of all his own colleagues with respect to the vote on that particular occasion. But coming after that—and I think we may take the Minister of Agriculture (Mr. Gardiner) as an experienced parliamentarian; I have always regarded him as such, and I hold his knowledge of the house rules in high respect—when I asked him on June 11, 1943, about tabling the report of the national advisory committee on agriculture, having always felt that these reports should be tabled and that there was no breach of the public interest in tabling them, the Minister of Agriculture, when I asked "If the committee makes a report I suppose it could be tabled?" said, "I would think so." I heartily agree with that. That, coming on the heels of the Minister of Finance's position as taken only a couple of weeks before, seems to me to indicate how untenable his position is.

So far as this motion is concerned it is a parallel motion to that which has been up in the house before. In view of the principle involved, I think we as an opposition ought to take strong objection to a repetition of this attitude, if it is to be similar to that which was taken in respect of the advisory committee on civil service matters. On that occasion there could have been just two things the minister had in mind. Either the Coon report contained some kind of recommendation which the government was going to adopt and take credit for, or it contained recommendations of which the government would not avail themselves and which they did not want published so that the opposition or any other interested parties might use those recommendations in the house or out of it.

This motion, in my opinion, should be passed. I cannot see how the Minister of Finance can properly object. He has lost all his grounds for valid objection to the carrying of this motion, and I ask him to allow it to be adopted.

Mr. MACKENZIE (Vancouver Centre): On the point of order, may I suggest to the leader of the opposition that he is completely in error in his interpretation of the rules with respect to citing a document. If we refer to Beauchesne, third edition, marginal note 278, at page 111, we find:

> It has been admitted that a document which has been cited ought to be laid upon the table of the house, if it can be done without injury to the public interest.

The Minister of Finance, when we discussed this point the other day, specifically said it was not in the public interest, so that

that rule overrides the ordinary parliamentary rule of producing documents which are cited.

In regard to the general principle underlying a confidential document or documents which it is not considered to be in the public interest to produce to the house, I refer my hon. friend to Todd on "Parliamentary Government," at page 440, where he cites no less an authority than Disraeli, whose word my hon. friend should accept. The minister, in this, has complete jurisdiction; when he states to the house that it is not in the public interest to produce these documents, that ends the matter.

Mr. POULIOT: Speaking not to the point of order, but rising to a question of privilege, as a member of the house I am interested in having a copy of that public paper. That, in the first place, is what I have to say in rising to a question of privilege. In the second place, I want to know what is meant by the words, "public interest." I want a definition of these words, which are used so often by ministers as an excuse for not tabling or producing certain papers. It is quite easy for a minister to say that something is not in the public interest; but what is the norm; what is the rule; what is the definition of public interest, and who decides that question? Is there a minister who can decide against the will of a certain number of members that it is not in the public interest to table certain papers? I submit that it is most important for us to know exactly where we stand on this, so that we may know what is meant by the government whenever such an answer is given.

In the third place, I hear at times amendments to motions to the effect that the government will accept a certain motion with certain reservations. The minister makes a reservation. What does that mean? I remember distinctly a typical case, relating to the station at Rivière du Loup, where the question was about the tabling of certain papers, and I wondered if the correspondence was to be made personal after it had been received. As I have mentioned before in the house many times, letters marked confidential or personal are sometimes sent to a minister, merely to bring them to the attention of that minister, but the subject matter is not personal. If hon. members will take the trouble to go back to the records of 1931, they will see what was said at that time by the then Prime Minister Mr. Bennett, and also by the present Prime Minister (Mr. Mackenzie King), as well as by Mr. Lapointe, with regard to the impossibility of changing the nature of a communication after it had been received.

In this case, what is asked for by the hon. member for Charlevoix-Saguenay is the discussion that took place, not between officials of the department alone, but between Ottawa and the provinces, and if there is one thing which we are interested in and with regard to which we ought to be fully informed, it is the relations of the provinces with Ottawa, especially on the eve of the Sirois report. The Sirois report was not down then, and it is of the utmost interest not only to the member for Témiscouata but to every one of us to know exactly what was discussed on that occasion and what were the views put forward by the representatives of the provinces and of Ottawa, and the more so by reason of the resumé which the sponsor of the resolution read to the house a minute ago. These are matters of vital importance for all of us, and for that reason I have risen to a question of privilege.

Mr. SPEAKER: In this matter, which has already been before the house, the hon. the minister, as reported at page 3696 of *Hansard*, stated:

> To complete the record, I wish to state that in my judgment it is not in the public interest to produce these.

The leader of the opposition (Mr. Graydon) made the argument that because the Minister of Finance had referred to some excerpts from the report, therefore he was bound to produce the report; but in this instance the Minister of Finance was not founding an argument or proving an assertion; he was simply stating from that report the reason why the report should not be produced. Therefore, in my judgment, the Minister of Finance is not bound to table the report by reason of the fact that he made references to an excerpt from it.

There is confusion as to the question of public interest, to which the hon. member for Témiscouata has referred. The Minister of Pensions and National Health (Mr. Mackenzie) referred to Todd. Todd says, at page 440 of volume 1, "Parliamentary Government in England", that:

> Consideration of public policy and a due regard to the interests of the state occasionally demand that information sought for by members of parliament should be withheld at the discretion and upon the general responsibility of ministers.

It is a mistake to believe that as long as a paper deals with a public question, parliament has the right to see it. Memoranda, letters or drafts submitted to a minister by his officer in the preparation of a government measure or ministerial statements, though they deal with public matters, are not in the category of official documents which ministers are bound to lay before the house.

They are written for the minister's information and they are subject to his approval. Until they are approved by him or by the governor in council they must be regarded as unofficial. Todd, quoting Lord C. Paget, adds, at page 442:

> The system of laying upon the table of the house reports from officers addressed to particular departments of the executive government is most objectionable.

He also quotes Disraeli, saying:

> The house ought not to insist upon the production of papers and correspondence which concerned the preparation and preliminary consideration of measures; they would thereby put a stop to that freedom of criticism which was always invited on such occasions, and which contributed so much to the perfection of public measures. If the house were to insist upon the production of such documents, instead of the government getting what we get now, confidential reports containing the most minute details of the opinions of officers, given frankly and freely for the heads of departments, we shall have a system of reports framed for laying upon the table of the House of Commons.

Todd concludes, at page 440:

> This principle is systematically recognized in all parliamentary transactions; were it otherwise, it would be impossible to carry on the government with safety and honour.

The minister, as reported at page 3696 of *Hansard,* said that he did not wish to produce these papers because in his judgment it was not in the public interest to do so. The responsibility is the minister's for making that statement. He is the best judge of the matter and the Chair must be bound by such a statement. I therefore rule that the document should not be tabled.

Mr. DORION: Do I understand, Mr. Speaker, that my motion is out of order? If so, I appeal from your ruling.

The house divided on the question: Shall the Speaker's decision be sustained? And the decision of the Chair was sustained on the following division:

YEAS

Messrs:

Abbott
Authier
Bertrand (Prescott)
Black (Chateauguay-Huntingdon)
Blair
Blanchette
Bonnier
Bradette
Breithaupt
Casselman, Mrs. (Edmonton East)
Cleaver
Cloutier
Corman
Coté
Cruickshank
Dechene
Donnelly
Douglas (Queens)
Dupuis
Edwards
Emmerson
Evans
Farquhar
Fauteux
Ferron
Fontaine
Fournier (Hull)
Fraser (Northumberland, Ont.)
Furniss
Gardiner
Gershaw
Gibson
Gingues
Gladstone
Golding
Graham
Grant
Gregory
Hanson (Skeena)
Healy
Henderson
Howden
Howe
Ilsley
Isnor
King, Mackenzie
Kirk
Laflamme
LaFlèche
Lafontaine
Lalonde
Leclerc
Leduc
Leger
Little
Lizotte
McCann
McCuaig
McCubbin
McCulloch
MacDiarmid
Macdonald (Brantford City)
Macdonald (Halifax)
Macdonald (Kingston City)
McDonald (Pontiac)
McGarry
McIlraith
McIvor
MacKenzie (Lambton-Kent)
MacKenzie (Neepawa)
Mackenzie (Vancouver Centre)
MacKinnon (Edmonton West)
McLarty
MacLean (Cape Breton North-Victoria)
Macmillan
McNevin (Victoria, Ont.)
McNiven (Regina City)
Marier
Martin
Maybank
Mayhew
Michaud
Mitchell
Mullins
Mulock
Mutch
Neill
Nixon
O'Neill
Pinard
Poirier
Pottier
Purdy
Ralston
Reid
Rennie
Rhéaume
Rickard
Ross (Calgary East)
Ross (Hamilton East)
Ross (Middlesex East)
Ross (Moose Jaw)
Ryan
St. Laurent
Sanderson
Sissons
Soper
Taylor
Telford
Thauvette
Tomlinson
Tripp
Turgeon
Ward
Warren
Weir
Whitman
Winkler
Wood—119.

NAYS

Messrs:

Adamson
Anderson
Bence
Black (Cumberland)
Black (Yukon)
Blackmore
Bruce
Cardiff
Casselman (Grenville-Dundas)
Castleden
Dorion
Esling
Fair
Fraser (Peterborough West)
Gillis
Graydon
Green
Hansell
Hanson (York-Sunbury)
Hatfield
Hazen
Homuth
Jaques
Johnston (Bow River)
Knowles
Lacombe
McGregor
MacInnis
MacKinnon (Kootenay East)
MacNicol
Nielsen, Mrs.
O'Brien
Perley
Pouliot
Quelch
Ross (St. Paul's)
Ross (Souris)
Roy
Senn
Shaw
Stirling
Stokes
Wright—43.

SOLDIER SETTLEMENT—CLEAR TITLE TO LANDS HELD UNDER CONTRACT

Mr. FAIR:

For a copy of all letters, telegrams or other communications received by the Prime Minister, the Minister of Mines and Resources, the soldier settlement board, or any other department of government from January 1, 1943, to date, asking that soldier settlers still on the land be given clear titles to their lands held under contract from the soldier settlement board.

WHEAT

INQUIRY AS TO ARRANGEMENTS IN REGARD TO 1942-43 AND 1943-44 CROPS

On the orders of the day:

Mr. G. H. CASTLEDEN (Yorkton): I should like to direct a question to the Minister of Trade and Commerce, arising out of the emergency condition facing the western farmer to-day, in that hundreds of millions of bushels of wheat are still in storage on the farms, with the prospect of another crop coming on in six or seven weeks. Will the 1942 wheat quota be taken in by August 1, and what arrangements are being made for the delivery, the storage and payments in connection with the 1943 crop?

Hon. J. A. MacKINNON (Minister of Trade and Commerce): I am advised that present facilities are sufficient to provide for the remainder of the undelivered quota for the 1942-43 crop, and that the total amount will be taken by the end of July. I know of no circumstances that would suggest the need for changes in the existing regulations for the handling of the 1943-44 crop, but if conditions should develop making such changes necessary, they will be announced.

Mr. CASTLEDEN: How about the storage? There is a great deal of wheat beyond the quota out there at the present time, and there is no farm storage available for any further surplus. I should like to know what arrangements will be made, so that it will be possible for the farmers to get something with which to make bins.

Mr. SPEAKER: Order. These are questions which should be placed on the order paper.

ALLEGED DISCRIMINATION IN PLACEMENT OF CARS

On the orders of the day.

Mr. E. E. PERLEY (Qu'Appelle): Has the Minister of Trade and Commerce received any complaints from western Canada that there is discrimination as between the pool elevators and other line elevators, in the placement of cars, at many of the points where they have not been able to deliver the full quota?

Mr. MacKINNON (Edmonton West): I do not think I have heard of any charges of discrimination against the pools. I have had requests from many sources that a different basis of allocating the cars be instituted, but I do not think the wheat board are suggesting any different allocation.

DEFENCE OF CANADA REGULATIONS

ARREST OF FORMER LEADER OF CANADIAN UNION OF FASCISTS

On the orders of the day:

Mrs. DORISE W. NIELSEN (North Battleford): Newspaper reports to-day mention the arrest on June 21 of a man by the name of Crate, who was formerly a leader of the Canadian union of fascists, an illegal organization. About a year ago, I believe, the hon. member for Rosetown-Biggar (Mr. Coldwell) asked the Minister of Justice a question with regard to the activities of this man, but that question was, I think, somewhat summarily dismissed. This man has just now been arrested, a year later. My information is that during this period he has been working on government projects both in Newfoundland and in Alaska. Will the minister make a statement as to how a known leader of a fascist organization in this country could obtain permits, and why he should be allowed to travel in vital defence areas, when it has been known by the police all this while what were his aims and objectives?

Hon. L. S. ST. LAURENT (Minister of Justice): I will have inquiries made into the facts concerning this man and obtain such information as will enable me to determine whether or not I can make any communication to the house.

CANADIAN ARMY

PAYMENT FOR HARVEST WORK DONE BY MEN ON LEAVE

On the orders of the day:

Mr. G. A. CRUICKSHANK (Fraser Valley): I should like to direct a question to the Minister of National Defence. I am sorry I did not have an opportunity to give him notice of it, but I received my information by air mail while I was in the house voting on the matter under discussion a few moments ago. If the information I have been given is correct, under C.A.R.O. 3111 troops while on twenty-four or forty-eight hour leave are not allowed to work, say at haying or other harvest work, if they are to receive remuneration. I wish to make it clear, Mr. Speaker, that my question deals with an emergency. I am not suggesting that these

men should be released from training in order to assist in harvesting, but if they do work of this kind while they are on these short leaves, are the farmers not allowed to pay them?

Hon. J. L. RALSTON (Minister of National Defence): There is a general order that troops may not be paid twice, once by the army and then by someone else, but I shall look into this particular question and give my hon. friend and the house a prompt answer.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Tuesday, June 29, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the Chair.

DEPARTMENT OF LABOUR

The CHAIRMAN: The committee is considering item No. 7.

Mr. GREEN: Mr. Chairman, the item under consideration this afternoon is for the removal of enemy aliens, including Japanese nationals, and other persons of Japanese race, from protected areas in British Columbia. The amount of the vote is $3,000,000. Last year, according to the records, the vote for this purpose was $4,575,000. I take it there is no doubt that the vote is really to enable the British Columbia security commission to carry on its work for the present fiscal year. The money will be expended to maintain people of Japanese origin living in Canada—people, by the way, who were formerly self-supporting. So that we are now in the position that the Japanese problem has touched the pockets of the taxpayers of Canada from coast to coast. For the first time since the Japanese came to Canada it has become a matter of some interest to Canadians east of the Rockies, and the Japanese first came, in any large numbers, almost fifty years ago.

The people of British Columbia hope that now, at long last, this Japanese problem will be dealt with as a Canadian problem, rather than as a problem of British Columbia. The people of that province have always been the pawns—and I repeat that word—have always been the pawns in the dealings between Canada and Japan. They found themselves in that unfortunate position for the first time shortly after the Japanese started coming to Canada, in fact, before the turn of the century, in 1898. In that year, the legislature of British Columbia passed what was known as the labour regulation act, the purpose of which was to prevent the employment of Chinese or Japanese persons on works carried on under franchise granted by private acts of the provincial legislature. That measure was passed because the Chinese and Japanese were then coming into British Columbia in large numbers and were interfering with white labour in the province. It was disallowed by the dominion government.

The reason for the disallowance is set out on page 70 of a memorandum entitled "Dominion Power of Disallowance of Provincial Legislation," issued by the king's printer in 1938. The reason given is as follows:

> The act affects not only the relations between the dominion and Japan but also the relations of the empire with the latter country. Further, power of legislature to enact statutes affecting the rights of aliens not free from doubt.

That disallowance by the dominion government was made after there had been—and, by the way, this is a vital question to the people of British Columbia, and I would ask the Minister of Labour to listen. He may have a lot of heartaches over this Japanese problem, before he is through.

Hon. HUMPHREY MITCHELL (Minister of Labour): As a matter of fact, Mr. Chairman, in view of the hon. member's observations I believe I should explain that I was just looking up what the policy of the United States government had been toward the Japanese, so that I might reply to the hon. member.

At six o'clock the committee took recess.

After Recess

The committee met at eight o'clock.

Mr. GREEN: Mr. Chairman, before the dinner recess I was pointing out that the people of British Columbia have high hope that the Japanese problem will now be considered a problem of the whole Canadian people, and furthermore that the people of that province have been the pawns in the dealings between Canada and Japan. I went on to point out that the first time they found themselves in that unhappy position was in the year 1898, when the dominion government vetoed a bill passed by the British Columbia legislature known as the labour regulation act, which in effect provided that Chinese and Japanese could not be employed on works being carried on under franchise granted by private acts of the provincial legislature. It is interesting to read the correspondence that

took place in connection with that disallowance. One finds a letter from the Japanese consul in Vancouver to the governor general, complaining about the British Columbia act. Then one finds correspondence between the governor general and the colonial secretary, who was no other than the Right Hon. Joseph Chamberlain. One also finds a dispatch from Mr. Chamberlain to the governor general, dated the 20th of July, 1898, which began—I am quoting from "Provincial Legislation, 1896 to 1920", volume 2, at page 542:

My Lord, I have the honour to acknowledge the receipt of your dispatches of the numbers and dates noted in the margin, in which you forwarded copies of various communications received by you from the Japanese consul for Canada respecting the anti-Japanese legislation recently passed by the legislature of British Columbia.

The second paragraph asks that various documents be forwarded to Mr. Chamberlain, and the third paragraph, which is the significant one, reads:

In the meantime I have to request that you will impress on your ministers—

That is, upon the dominion ministers.

—that restrictive legislation of the type of which the legislation in question appears to be, is extremely repugnant to the sentiments of the people and government of Japan, and you should not fail to impress upon them the importance—

Here is where Mr. Chamberlain showed the Canadian government the way out:

—you should not fail to impress upon them the importance, if there is any real prospect of a large influx of Japanese labourers into Canada, of dealing with it by legislation of the dominion parliament on the lines of the accompanying Natal Act, which is likely to be generally adopted in Australia.

He enclosed a copy of the Natal Act, and by the way that act was adopted in Australia and as a result Australia went into this war with Japan with fewer than 2,400 Japanese in the whole Australian commonwealth, while in British Columbia alone we had almost 24,000.

The effective portion of the Natal Act is in section 3, subsection (a). Section 3 deals with prohibited immigrants, and subsection (a) reads as follows:

Any person who, when asked to do so by an officer appointed under this act, shall fail to himself write out and sign, in the characters of any language of Europe, an application to the colonial secretary in the form set out in schedule B of this act. . . .

Joe Chamberlain suggested to the dominion government in 1898 that it should pass a Natal act. Had that been done, there would to-day be no Japanese problem facing Canada. But for some reason or another the dominion government failed to pass a Natal act. The British Columbia government, when it found that it got no help from the dominion, itself had a Natal act passed through the legislature in 1900 entitled, "an act to regulate immigration into British Columbia", and it contained a European language test of the type set out in the Natal Act.

Again there was correspondence. The Japanese consul wrote in to the governor general; correspondence with the colonial secretary followed, and in due course, in 1901, the act was disallowed by the dominion government.

Again, in 1902, the British Columbia legislature passed the same act, and again it was disallowed by the dominion government. In 1903 they passed the same act for the third time, and again it was disallowed. In 1904 the act was passed again by the British Columbia legislature. During all this time the letters from the Japanese consul were becoming more insistent. We find this in his letter in 1904. I quote from page 645 of the same volume:

I see no reason why the British Columbia legislature is so very persistent in taking such high-handed and unfriendly measures against the Japanese people, and why this act should be tolerated—

Tolerated, mind you!

—to any length of time, without being disallowed.

Well, the dominion government disallowed it in 1904. Again in 1905 the British Columbia legislature passed the same act, and it was disallowed. In 1908, for the sixth time, the British Columbia legislature passed the same act, and it was duly disallowed by the dominion government.

About that time there were riots in Vancouver. The Japanese had been coming in by the thousands, and riots broke out. As a result, the dominion government negotiated a gentlemen's agreement with Japan which was known as the Lemieux act, and which by the way has not yet been tabled in this house. Under that agreement 400 Japanese labourers were allowed to come into Canada each year. Subsequently, in 1929, a variation in the agreement was negotiated which reduced that number to 150. All this time the Japanese were coming in.

I have no intention now of going into the reasons why the British Columbia people fought the entry of the Japanese. The house has heard them many times, and I shall not repeat them to-night. During all these years British Columbia members of parliament without, I think, one exception, have been pleading with the other members of this house for help in facing this Japanese problem. I have been

a member of this house since 1935, and I have heard these pleas and have made them myself since coming here.

In 1938 the hon. member for Comox-Alberni brought in a bill which would have made the Chinese Immigration Act apply to the Japanese. In 1923 the house did pass an act which excluded the Chinese. That is twenty years ago, and in 1938 the hon. member for Comox-Alberni brought in a bill to put the Japanese under that act. It was duly voted down. He also brought in a bill to amend the general immigration act, to provide a Natal act language test. That, too, was voted down in this house. We were met with the excuse: Oh, Japan must not be offended. In other words, it was an appeasement policy toward the Japanese. At the same time the Canadian government was allowing scrapiron to be shipped out to Japan, which is now finding its place in the bodies of the young men of the united nations.

Therefore I repeat, the people of British Columbia have always been pawns in the dealings between Canada and Japan, and now in 1943 there are signs that the government policy, or lack of policy, will make them pawns again. The people of my native province are watching developments with grave concern. They will not agree with the light-hearted optimism of the Minister of Labour when he said the other night, as reported in *Hansard* at page 4015, when he was being questioned about the Doukhobors:

> I remember that last year—I wanted to say this on another occasion—

And he said these words with a good deal of boasting in his voice:

> —the Department of Labour received a great deal of criticism about the Japanese problem. I think in a large measure we have solved it for the time being.

May I tell him, the House of Commons, and the rest of Canada that actually he has barely scratched the Japanese problem, let alone solving it. In order that the committee may see the situation, I propose to give a few facts.

Practically all the Japanese who came to Canada settled in British Columbia. If they had not done so; if they had scattered out across Canada, there probably would have been no Japanese problem to-day. But they did not. They knew a good place when they saw it, and they settled in British Columbia, practically all of them in the coastal area. Of course there has been uneasiness in that province for many years, and particularly so when Japan became friendly with Germany and Italy. There was a registration of Japanese, and in 1941, as a result of a recommendation from a committee which had been appointed by the government, there was a re-registration. Here are the numbers of Japanese then found in the province: I am quoting now from a booklet entitled "Removal of Japanese from Protected Areas." It is a report issued by the British Columbia security commission and distributed among the members this year. I quote from page 3; here are the numbers as found by this Royal Canadian Mounted Police registration:

Canadian born	6,727
Naturalized	7,011
Nationals (the largest group)	9,758
United States citizens	16
Total	23,512

In proportion to population British Columbia had twice as many Japanese as the state of California, which is the state of the union having the largest number of Japanese. Our population in 1941 was approximately 820,000. The state of California had a population of 6,910,000, eight times as large as our own; on the other hand they had 93,717 Japanese, which is only four times the number of Japanese we had. The population of Washington, our neighbour state, numbers 1,740,000, a little over twice our population, but it contains only 14,565 Japanese, about two-thirds as many as we had. The state of Oregon, which is the third Pacific state, contains 1,090,000 people, slightly more than the population of British Columbia, but it has only one-sixth as many Japanese.

The registration disclosed another very interesting fact. I note on page 29 of this booklet that in addition to these 23,512 Japanese, there were 1,500 children in Japan of Japanese families registered in British Columbia under this registration. Most of these young Japanese, I believe, would have been able in due course to return to Canada, because their parents are here. There has been a custom among the Japanese of sending back many of their young people for education in Japan. It has been said that in many cases they went there for military or naval training, and I have no doubt that to-day some of these children of British Columbia Japanese are members of the armed forces of Japan. Others are children left in Japan by their parents; some, no doubt, children left with the mother when the father came to Canada.

Mr. MITCHELL: My hon. friend said that some of these children no doubt are members of armed forces in Japan. Is he speaking of Japan, or does he mean, in the Dominion of Canada?

Mr. GREEN: No, no; I say that, of these 1,500 Japanese children whose parents are in Canada, I have no doubt that some at least are serving in the armed forces of Japan.

Mr. MITCHELL: In Japan.

Mr. GREEN: I do not know where they are. They may be in the Aleutians, or they may be down in the southern Pacific.

Mr. REID: We had Japanese who boasted that their boys were in the air force in Japan.

Mr. GREEN: This re-registration was in the spring of 1941. At that time Japan was a member of the axis. I remember very well a ship leaving Vancouver for Japan late in that year, carrying several hundred Japanese who, it was admitted, were strongly pro-Japanese and were getting out of the country before trouble started. We were spending money putting up guns and otherwise preparing for war with Japan; but all that time Japanese were living around these forts, near our airports, and scattered up and down our coastline where they could, if they wished, be of great help to an invading army. In October, 1941—on the 27th, to be exact—our Canadian boys sailed out of the port of Vancouver bound for Hong Kong on that ill-fated expedition. On December 7, 1941, Japan struck treacherously at Pearl Harbor. That was followed, of course, by the attack on Hong Kong and by the surrender of our troops there on Christmas day. On the Pacific coast no one knew whether or when Japan might attack; no one knew what the Japanese living there would do in the event of attack, and no one knew which Japanese could be trusted and which could not. So that it was only natural that in Canada, as in the United States, there was insistence that all Japanese be moved away from the Pacific coast. It was not a matter of persecution; it was a matter perhaps of life and death for the Canadian people. That situation is clearly expressed in this report of the removal of the Japanese:

> The government of Canada took no further definite action until public sentiment became inflamed and the members of parliament from this province became so vehement in their denunciation, and the press so vociferous in its expression of indignation that finally, faced with the necessity of establishing some security against possible attack from within as well as without, on March 4, 1942, the government of Canada issued privy council order Nos. 1665 and 1666 creating the British Columbia security commission, whose primary duty was to evacuate all persons of the Japanese race from certain strategic areas of British Columbia which had previously been declared "protected"—

Then the paragraph reads:

> —by order in council No. 365.

But I think it should be "pursuant to order in council No. 365."

Actually the protected area was defined on February 2 last year. It covered a strip approximately 100 miles back from the coast, as well as the whole of Vancouver island and the Queen Charlotte islands and an area in southeastern British Columbia in the district of Kootenay. Since then, I believe, there has been an area added near the city of Kamloops. On March 4 of last year the British Columbia security commission was set up.

Eventually last fall practically all the Japanese were removed from the protected area. For that I give due credit to the minister, to his staff and to the British Columbia security commission. The Japanese were moved, with the exception, I believe, of about 100. I got a return this spring which showed that there were fifty-four persons still in the protected area, most of them being either the husband or the wife where there had been intermarriage between Japanese and occidentals.

But it is interesting to note what has happened to these evacuees, and this is the key point. I have here a statement from the Department of Labour showing the location of Japanese in Canada as at May 27, 1943, a little over a month ago; it shows first of all that there were 2,439 who had settled outside the restricted area prior to the setting up of the British Columbia security commission. Some of the Japanese saw what was coming and packed up and left. Most of the 2,400 had settled in the riding of Yale and Kamloops, in central British Columbia. That leaves 21,236. Of that number, 606 are interned somewhere in eastern Canada. There are, I believe, more Japanese interned than members of any other nationality. Most of the remainder, 15,562 or over three-quarters, are still in British Columbia. They are located on a temporary basis in relocation centres in the interior of our province. This statement shows that there are in interior housing centres 11,960, made up as follows: Tashme, which is in the riding of Fraser Valley, 2,571; Greenwood, in the Yale riding, 1,199; Sandon, 844; Slocan area, 2,817; Lemon Creek, 1,875; Kaslo, 906; New Denver area, 1,748. All these last five centres are in the Kootenay West riding. These people are living in these centres. There are block-houses on the roads a certain distance from the centre where special police attached to the mounted police see that the Japanese do not go past the block-house. They are being maintained largely by the dominion government, and they are largely unproductive and have been throughout. There is now some suggestion that they are

to be used in cutting wood. They have been cutting wood for themselves and doing odd jobs of that type such as raising vegetables and so on, but they are largely unproductive and are being maintained by the government.

The next group are in what are called the self-supporting projects in British Columbia, and they total 1,290. Of this number, 108 are in Christina Lake in Yale riding; 336 in Lillooet; 333 in Minto City; 263 in Bridge River; 67 in McGillivray Falls, and 183 in Taylor Lake, all in the Cariboo riding. These are Japanese with funds of their own; they are keeping themselves, but they are largely unproductive.

There are 781 in road camps in the province; 210 on the Blue River-Yellowhead road in the Kamloops riding; 293 on the Revelstoke-Sicamous road in the same riding and 278 on the Hope-Princeton road. These are largely Japanese nationals, and they have not made very much progress in the building of roads, one reason being that they have not had sufficient equipment. Then there are listed 1,531 under the head of British Columbia placements. Of that number, 1,376 have permits for employment. They, I presume, are working in the woods and in the mills or in orchards in the interior, largely in Kamloops and Yale; twenty-one in hospital; two in gaol; 132 Eurasian; making a total of 15,562 in British Columbia, or over three-quarters of the evacuees. Practically all of them are settled on a temporary basis.

The remainder, 5,607, which is slightly less than a quarter, are east of the Rockies, and that is all that are east of the Rockies, except, of course, for those who are interned.

The figures for the prairies and eastern placements are: Alberta, 2,664, largely on sugar beet farms; Saskatchewan, 54; Manitoba, 1,093, also largely on sugar beet farms; Ontario, in industry, 1,119; road camp 36, giving a total of 1,155; I do not know how many but quite a number of these are on sugar beet farms in Ontario; and Quebec, 101.

Practically all the evacuated Japanese in Alberta and Manitoba and most of those in Ontario are likewise temporarily settled. They are settled subject to an express agreement between the dominion government, acting through the British Columbia security commission, and the respective provincial governments, that they shall be removed after the war. I have here sessional paper 126 brought down on May 6 of this year, and we find this paragraph in the agreement with Alberta:

10. The commission agrees to remove or to have removed from the province, upon the termination of the state of war now existing between Canada and Japan, the Japanese temporarily placed or maintained within the province, pursuant to the terms of this agreement as requested so to do by the province.

The Manitoba government was not quite so particular about getting an agreement, and it has a letter from the chairman of the British Columbia security commission, paragraph 10 of which reads:

We agree to remove from your province any Japanese placed therein through this commission upon the termination of the state of war now existing between Canada and Japan.

I understand that there is an agreement in identically the words of the Alberta agreement, duly signed and executed between the British Columbia security commission and the province of Ontario, and apparently there are to be still more agreements of that type, because on February 5 of this year the government passed order in council P.C. 946 which will be found at page 359 of volume 1, number 6 of Canadian War Orders and Regulations, 1943. It is entitled, "Order in Council Establishing Regulations re Provision for the Administration Relative to Further Placement, Control and Maintenance of Persons of Japanese Race in Canada." It provides for allowing the commissioners to resign—the gentlemen who had formed the security commission—and in their place it sets up a commissioner of Japanese placement who is now in charge of the whole scheme. Paragraph 10 of the order in council reads:

The minister may enter into an agreement on behalf of the government of Canada with the government of any province relative to the placement in such province of persons of the Japanese race and any such agreement may provide that any such persons will be removed from such province upon the termination of the state of war now existing between Canada and Japan.

These evacuees have been settled temporarily everywhere, and I doubt very much if there are many of them who will not be subject to this provision for removal after the war. As I say, they have been temporarily settled in different parts of Canada, but principally in British Columbia. Before considering the effect of this and suggesting what should be done about it, I should like to point out certain other features of this Japanese problem to the members of the committee.

The first is that there is great reluctance on the part of the Japanese to cross the mountains. They are not helping themselves by that attitude, but such is the case. On May 24, 1943, an answer was given to a question asked by the hon. member for Vancouver East (Mr.

MacInnis), and I quote one paragraph, as reported at page 2929 of *Hansard* as follows:

7. There has been reluctance on the part of certain groups among the Japanese in the interior housing centres to take work east of the Rockies, but this is gradually declining.

It must be admitted that some of the younger Japanese and the more forward looking of the group have come east and are trying to reestablish themselves. For this they deserve great credit, and the department deserves credit for helping them. But speaking by and large there is great reluctance among the Japanese to leave British Columbia.

The second feature is that many of the Japanese have voluntarily expressed a desire to be repatriated to Japan at the earliest possible moment. Press dispatches have stated that in the camp at Tashme, where there are about 2,600, approximately 600 have expressed the wish to be sent back to Japan. Other dispatches have stated that there are 1,600 in the different centres who would like to go back to Japan. I ask the minister to tell us during the discussion how many Japanese have expressed this wish; what progress has been made with arrangements for them to be repatriated, and when it is expected that they will be leaving. On February 8, in answer to a question by the hon. member for Kootenay West (Mr. Esling), the Prime Minister said that negotiations were under way for the exchange of nationals but had not been completed.

Mr. MITCHELL: Forty-three have been repatriated in exchange for Canadians, and there are some hundreds of Japanese who desire to be repatriated.

Mr. GREEN: How many hundreds?

Mr. MITCHELL: Several hundred.

Mr. GREEN: The minister must know how many. If he does not, he should, because he has all his officers with him to-night.

Mr. MITCHELL: The mere fact that a man says that he would like to go back to Japan does not mean that three months from now he will be willing to go back.

Mr. GREEN: Are you going to give them a chance to change their minds and stay here? Is that what this means?

Mr. MITCHELL: I am referring to the trend of the war. There may not be any Japan left when we are through.

Mr. GREEN: The third special feature I should like to draw to the attention of the committee is the fact that the Japanese government considers these people to be Japanese. There is published in Kaslo, one of the relocation centres in British Columbia, a paper known as *The New Canadian,* which is published by the nisei; that is second generation Japanese who have been born in Canada. The edition of March 27, 1943, carries a news dispatch from Vancouver which is captioned and reads as follows:

Sends Sympathy and Message of Hope

In a statement last week-end the Spanish consul-general in Montreal said he had been requested by the Japanese government to advise the Japanese in Canada "that the house of representatives in Japan approved a resolution on February 27, to express their maximum sympathy for all the compatriots residing in enemy countries and to send in the name of the whole nation a message of hope."

And I would remind hon. members that a few years ago the Japanese government took a census of Japanese living in Canada.

The fourth special feature is the fact that we are getting along very nicely in the protected areas without the Japanese. There were about 2,000 Japanese in the fishing industry, but I find the following in the May *Fisheries News Bulletin,* published by the Department of Fisheries:

2,000 Japanese Out but B.C. Fishermen Increase

More than 2,000 people of Japanese descent held commercial fishing licences in British Columbia in 1941 and none at all in 1942 but, nevertheless, the total number of licences issued in the latter year showed an increase of nearly 1,800.

The final special feature concerns the fact that many of these Japanese are naturalized. I have no doubt that some of these naturalizations were genuine; that those applying really wished to become Canadian citizens, but on the other hand many applications were made in order to secure fishing licences. As far back as 1900 a commission was appointed by the dominion government to look into the Chinese and Japanese situation, and the report of the commission will be found in the sessional papers of 1902, from which I quote as follows:

The evidence made it clear that the larger number of Japanese become naturalized, not to become citizens of the country, but to enable them to obtain fishermen's licences. Nearly the entire number of Japanese who have become naturalized, take out fishing licences, and but few of those who do not take out licences become naturalized.

That is the picture, and the British Columbia security commission have summed it up very neatly in the report from which I have quoted already. I quote again from page 18, as follows:

It is evident, therefore, that the now most important angle of the Japanese problem in Canada—relocation in self-supporting family units—is a matter for parliamentary and gov-

ernment decision, and definitely an issue to be faced in due course by the country at large. The people of all parts of Canada should come to realize their war-time obligation in connection with the Japanese evacuees, and to recognize that their cooperation will, to a great extent, remove the necessity of the present relocation centres, now operated mainly at the expense of the already heavily-burdened taxpayers.

In conclusion it may be said that the foregoing summary of this first episode of the saga of an industrious people lifted from the fields of activity to which they had been accustomed, and placed in comparative idleness in interior towns, depicts no permanent static condition, but is believed to be only the frontispiece to the still unfolding story of the final relocation and rehabilitation of the whole Japanese-Canadian population.

The CHAIRMAN: I must inform the hon. member he has spoken for forty minutes.

Mr. GREEN: I make it a rule not to encroach upon the good-will of hon. members, but I would appreciate the privilege of finishing, because this is of such vital importance to us.

Some hon. MEMBERS: Go on.

Mr. MITCHELL: Go ahead.

Mr. GREEN: What is the policy of the government? These agreements containing the provision to remove the Japanese from the other provinces after the war, this order in council giving the Minister of Labour the power to enter into new agreements containing the same terms, point to a possible attempt to send all Japanese back to British Columbia after the war. Of course that would mean also that the policy will be to leave there the other three-quarters who are now in British Columbia. I warn the government just as emphatically as I possibly can that if this attempt is made, there will be grave trouble in British Columbia. The ministry might as well realize that at once. In effect, such a policy would mean that the government is still looking upon the Japanese problem as a problem for British Columbia, rather than for Canada as a whole; that British Columbia is still a pawn, and she does not propose to be that any longer.

If such an attempt is made by the government; if that is the policy; if these agreements to remove these people from the other provinces are the best the government can do; if the rest of Canada—and here is the main point—is unwilling to do its part in settling this problem, then the people of British Columbia will insist that in negotiating the terms of peace the Canadian government make certain that the Japanese in Canada will be repatriated to Japan.

There has been no announcement as yet by the government as to what is to be done, no pronouncement as to where these people are to be located. Once again I ask the minister for a declaration, to-night, as to the policy of the dominion government in connection with the Japanese problem.

Mr. NEILL: This debate on the appropriation for the war has been going on for nearly four months, and I have taken no part in it. I thought plenty of criticism had been offered and too much time had been taken up, and therefore I felt I could best serve the interests of my constituents by allowing the debate to finish so that the government might be released as soon as possible to go on with its other duties in connection with the war. But the matter which has been brought before us so definitely under this item, which provides for payments in connection with the moving of the Japanese, is of such great importance that I feel compelled to state again, at least in part, the very strong views held by the district I represent and I think also by the province from which I come. I spoke on March 1 about this matter, and now to some extent I must confirm what I said on that occasion.

This item is for $3,000,000, but there must be some other item as well, because the cost of removing these Japanese and taking care of their boats runs to over $5,000,000, which is a great deal of money. Just by the way, a good deal of criticism could be offered in that connection, but I shall inject only one matter here. Long after the war had started, though before Japan had entered it, we thought it necessary, looking at least a little ahead, to build some seaplane bases on the west coast. One was built in the district which I represent; and in view of later events hon. members will hardly believe me when I say that I could not get the government of Canada to take the slightest notice of two facts which I laid before them with great emphasis, stating that I knew them of my personal knowledge. One was that within two hundred yards of the aerodrome there was a Japanese village from which they could observe, without let or hindrance, everything that went on, everything that went into or came out of that base. They could take the numbers of the planes, the hours that were worked and everything else. The other matter I brought before the government was the fact that a Japanese had been seen taking photographs of the whole undertaking from an ordinary passenger plane. The answer I got back from the government officials, in the blandest and most indifferent language, was that even if the Japanese had been turned out

of the village they could have gone just a little farther away and continued their observations, while as far as the man in the plane was concerned, while that might be true —and it was true—he had now gone back to Japan. They seemed to think that happily ended it. I suppose he had taken the photographs away with him as a souvenir of his love for us or of our love for him. That sort of thing seems absurd, looking back on it now, but I could not get anything done about it then, and there were other matters into which I have not time to go now.

There was a great deal of money wasted in the moving and handling of the Japanese, particularly in connection with their boats. So far as I can make out, the Japs were allowed to carry away from their boats stoves, batteries, radios and everything else movable. Then, when the government decided, quite properly, to sell the boats they replaced all these articles, but they did not replace them at the cost of the people who had stolen or taken them away; they replaced them at the cost of the government, and it came to a very large sum, too. The boats were not properly cared for. They were supposed to be under constant guard, either naval or civilian, yet when we came to sell them, apparently for shame's sake we had to spend something like $120,000 in order to put them back into what was presumably the shape they were in when we took them over. If that had been the ordinary wear and tear through being laid up in the harbour, rust and so on, surely that was the loss of the owners; but no; we had to pay all that, and those costs went to make up this total of $5,000,000 which I have mentioned.

Then again, we had what I might almost call the lavish hospitality that was shown to these gentlemen. They were put into camps, yes; and they ran the camps—the Japs did, not the government. If the Japs did not like a white foreman, the government fired that foreman. The Japs were not disciplined at all. If the foreman could not get on with the Japs—which meant letting the Japs do as they pleased—he was fired. Not long ago they had a strike because they were not being supplied with asparagus tips for breakfast and also because the rice was not of the quantity and quality they desired. Whose fault was it if the rice supply was a little shy? But every attention was paid to their comfort. They had three lady dietitians working for them, three college graduates in home economics. I wonder if our boys who a few years ago, in the time of depression, were riding the rods and then were put into camps, had lady dietitians to look after their welfare. If they did, I do not remember it. Would it not have been a good idea to have Jap camps, Jap prisoners and Jap cooks, and let them do their own cooking? But no, they had to have lady dietitians, and one can imagine how that ran up the cost.

This all makes good campaign material for some of our friends who perhaps would not have done half as well if they had been given the opportunity, but there is no use in attacking the present minister because of these things, since all this happened before he became minister. There is no question about it; British Columbia has enemies, or at least the Japs have friends in high places in Ottawa, as was stated last night by the hon. member for New Westminster. Perhaps we are too far away; but so were the Japs, though they seem to be able to reach out and have the hand of friendship extended to them here. However, I have listened to so much abuse and such unfair criticism of the Department of Labour and also of the Department of Munitions and Supply, criticism which I knew was false and made only for party purposes, that I feel inclined to discount some of the allegations being made now. I heard so much that has proved to be untrue and unfair that I am inclined to give the benefit of the doubt to the present minister. The ink was hardly dry on his appointment before a certain clique of people in this house and in the country were damning him, before he had even started. If they had not been such tintype politicians, they would have realized that this was the way to create sympathy throughout the country for the man they appeared to hate so much. At least it would have been a good policy to let him prove himself wrong and incompetent before condemning him so completely as to excite the sympathy of all decent-minded men.

In the middle of this war, when perhaps tomorrow or perhaps next week this house may be called upon to provide an enormous number of reinforcements or to take other drastic steps, it might be well for us to forget the past for a moment, to deal with the present and to look to the future and the possible demands for action that may arise.

A man well known, a member of parliament in the British House of Commons, Mr. Herbert, who, I believe, is editor of *Punch,* made this statement:

> I have always taken the view that it is better for a person of my limited capacity to try to get a few things well done than to vapour vainly about the ways of the whole world.

I think that is a wonderful thing. I have taken it to my heart, and it might be well perhaps if some amateur politicians did the same thing. Let us forget about vapouring vainly about the ways of the world, and concentrate on something practical, something that is before our eyes.

Following that principle, I wish to concentrate, and have concentrated on two points of vital importance both to British Columbia and to Canada. One is an increase in the old age pension, and the other is the repatriation of Japanese. So that at this crucial stage in Canadian history I made bold enough on the part of the people whom I represent to make this request—no, I do not make it a request; I make it a demand. The time has come when we are justified in demanding two things, first, that parliament shall introduce legislation to prohibit the further immigration of orientals and, second, that the Prime Minister or the leader of the government pledge his great influence, his vast influence—because Canada's part in the war has been such that she must occupy an almost undefinable position at the peace table, and the Prime Minister of Canada will have such influence that he will have to be listened to, to a large extent—at the peace table to insist upon the repatriation of all Japanese now in Canada, whether of Japanese origin, whether naturalized—by a fake naturalization—or native born.

I place these issues as clearly and vigorously as I can, so that there will be no doubt about them whatsoever. The people, or at least those whom I represent, because I could stake my life in that regard, will ask for these things. I will seek that every party asking for votes, and every candidate will be asked to pledge himself. And I do not mean that he will only be asked to say whether or not he is in favour of Japanese not coming in, or doing something in that regard. Oh, yes, they will all say that to get the votes. But let them vote for it when it comes to the house. Let them be challenged to vote for it when they are given the opportunity irrespective of the party which has brought it in. Let them pledge themselves to it, no matter who proposes it. A man will hesitate to pledge himself to a thing unless he has some intention of carrying it out.

I listened carefully to what was said the other night by the hon. member for New Westminster, and I agreed with a great deal of what he says. But I thought he rather weakened the effect of his speech by adopting an attitude of anticipated defeat, and suggesting, instead, certain palliatives which would not, to my mind, achieve the desired end. I can well see the Minister of Labour or the Prime Minister saying, "Why, sure, old man, I agree to all that. I can pledge myself to that." But the suggestions were of such a character that we would not get very far.

For instance, he put forth five conditions. These he laid down as a sort of substitute. If the government would not turn the Japanese out, then he insisted they should do these four or five things. He said:

> The first step in any sound and permanent solution of the problem must be taken by the Japanese themselves. . . . They must cut themselves completely aloof from the control and authority of Japan and its emperor.

That is quite true. Of course they will cut themselves loose. Of course they will take the oath of allegiance to the British king. What does that signify when they are heathen? What does a mere oath mean to them? They will take an oath, but that will not get us anywhere. And while we are waiting for them to do it, how about expatriating them in the meantime?

The second suggestion was:

> We must expose and tear out the whole web of Japanese influence, propaganda and intrigue and prevent, if possible, tight, deliverable blocks of votes which can always be used to pander to certain politicians.

I heartily agree with that. But how are we going to do it? The United States have found it impossible. They have found it impossible to tear out secret propaganda. Great Britain failed. The United States failed, and we have failed. How are we to be able to do it. Then, with regard to the preventing of blocks of votes, and with the understanding that a person will commit himself to vote in a certain manner, let me say that the whole attitude of British Columbia has been trying to keep them from getting the vote, and we have been successful up to date, and to talk of preventing a block vote is a suggestion that they will get the vote. Anyhow, you cannot stop people voting en bloc.

Another suggestion was this:

> We must never allow again unsupervised Japanese schools conducted in Canada, which were carried on for the sole purpose of keeping the Japanese as Japanese, and I believe indoctrinated the creed of dual citizenship.

That is perfectly true, and I am heartily in agreement with it; but how are we to do it? They will simply say, "Oh, this is a Sunday school"—or a college of science—and they would still have the same propaganda.

The time has gone past for any palliative or alternative. We have finished dealing with these things we call gentlemen's agreements. My understanding of a gentleman's agreement

is that it must be between two gentlemen, not one gentleman and a tiger. We must do away with all that. We have had our experiences in that for forty years, and we do not want another twenty years of it. So urgent and bitter is the feeling in British Columbia and as I have lived among them for forty-five years, I ought to know—that if what we ask is not granted, I would subscribe to the demand to break away from eastern Canada, and have a federation of provinces west of the great lakes, not with any feeling or idea of malice, of course. It could be done by an amendment to the British North America Act. We would move away, and maintain our own federation.

I think, if carried to the prairies, it would be found that they would vote for such a thing. Feeling in British Columbia is high with respect to the Japanese, and I am told that there are reasons why they feel somewhat the same way in the prairie provinces. I need not go into those reasons which would produce sympathetic consideration of the same thing in those provinces.

Unless the Japanese situation is settled in the way I have suggested, this action will have to be taken. There are two things we want, namely, the stopping of immigration and the expatriation of Japanese. Why do we want to stop immigration? I have made speeches in the last twenty years. I made them in May, 1938, and in February, 1942, and for the last twenty years—I have all the dates here. In British Columbia we do not want immigration of Japanese or Chinese, because they, but especially the Japanese, can never assimilate with us. They can never become part of us. They can never be absorbed. They have a low standard of living. They do not intermarry with us, largely because they do not want to intermarry with us. They despise us. That is their privilege, of course; but because they do not marry with us they can never become absorbed.

In Great Britain, the most cosmopolitan country in the world, all are absorbed. Every class of people that comes along is absorbed —those who have made invasions, their conquerors, refugees, Huguenot refugees from the continent. They have assimilated all of them, and they have become a fine race. But we cannot do that in Canada, when we have within our body politic a cancer composed of these unassimilable people.

They do not wish to mix with us, and they are simply waiting for a chance to conquer us. They are always loyal to their own heathen god. They have a religion which teaches them that their emperor is their god. Kipling was right when he said that you cannot breed a white man in a brown or yellow hide. We have tried it, and now we know. I hope we do not have to pay too high a price for that knowledge. It is physically possible to intermarry the white and yellow races, but the results accomplished are very poor. Intermarriages seem to increase the bad qualities of both races. But there are mental strains in both races which forbid a proper amalgamation. The main menace, especially in connection with the Japanese, is their fantastic devotion to their god-emperor, and their belief in their destiny as world conquerors. I do not often advertise a book, but if hon. gentlemen will look at "The Three Bamboos" by Robert Standish, published recently, they will get without bias or prejudice a fine conception of the whole Japanese history and of the military junta right up to the time of Pearl Harbor.

Something has been said about the second generation of Japs being all right. Here is a clipping which says that at Los Angeles on June 10, 450 American-born Japanese—American-born with all the virtues we are told the second generation of Japs have—refused to repudiate their loyalty to the emperor or swear allegiance to the United States. An emperor they have never seen, in whose country they were not born! They refused to repudiate their allegiance to him. Get that? A loyalty to something outside the United States where they were born! Over and above that there were another 180 who gave qualified or evasive answers, such as: "I am neutral", to the loyalty question. If we were asked, "Are you going to be loyal to the British king?" and we said, "I am neutral", what would be thought of us? The same paper carries a headline "20,000 negroes belonged to group formed by Japs"—negroes of the lower type, almost morons, subnormal, who were found to have joined a Japanese association in Detroit which stirred up all that trouble which ended in a race riot the other day. They have also found large caches of food and munitions stored by the Japanese in the southern states. To support Americans? Do you think so? You must be very simple if you do. No; it was to help the invading Japanese when they landed in California and other states.

Talk about the treacheries in connection with Pearl Harbor! The Japanese did something of that kind in the Russian war. They attacked Russia before they declared war. It is just a piece of their general policy, and as for their atrocities we have not heard the full story of them yet. I do not know if they are

to be wholly blamed for that. You cannot argue with a tiger. You cannot blame him for being insensible to the ordinary decencies because it is not in him, and even when they are educated and cultured they still remain savages. In a way they might not be held to blame for this. We ought to take steps to see that such things do not happen to us any more. There are at least a million reasons why we should not give them a stranglehold on our civilization. What do we want immigration to Canada for? We want more people to make us a more prosperous and successful Canada, I suppose. Is that the way to get it, to allow an influx of people whose loyalty to their own land and their own race and their own religion is so intense? Is it a crime to seek to prevent the entry of such people into our land? If it is a crime, and I have heard myself accused of it, write me down in letters of red, in letters of blood if you like, as being such a criminal; because the time has come when we are no longer to be sloughed off with remarks about what we are going to be and what the Japanese will do by way of gentlemen's agreements, and so on. Those in the thraldom—I use that word rather than a coarser one—of Japan, directly or indirectly, tell us that the Japs born here are all right. If that is the case, why did the British Columbia security commission have to give a written guarantee, signed and witnessed and everything else, to our brothers of Alberta and Ontario and in a modified form to Manitoba that they would take the Japs back after the war if the other provinces would let them come in now. Here it is:

> The commission agrees to remove or to have removed from the province, upon the termination of the state of war now existing between Canada and Japan, the Japanese temporarily placed or maintained within the province pursuant to the terms of this agreement, as requested so to do by the province.

I do not think that is legal. I ask any lawyer, has the government power to delegate such large powers to a commission? But suppose it has, why was not British Columbia given a guarantee too when these Japs were moved away from our province to Alberta and Ontario? Where are they to be sent when the war is over? We do not want them. We want them still less than the other provinces, because their objections to the Japs are second-hand, but we know them. Why not give us in British Columbia a pledge that you will remove the Japanese from our province? But no, they are to be unloaded on us, against our known and deliberately and earnestly expressed opposition.

Mr. BLAIR: What would you do with them?

[Mr. Neill.]

Mr. NEILL: Send them back to Japan. Anything you like. I won't bother, whatever you do with them. But they are not coming back to British Columbia, and that is the voice of British Columbia. You may say: We will send them to the United States. Not if they know anything about it. I have here a clipping that the senate of Oregon has passed a resolution demanding that the Japanese be expatriated. It says:

> The Oregon senate voted to-day to ask congress to send all persons of Japanese blood back to Japan after the war and to bar all Japanese from serving in the armed forces.

So that it is not that we are cranks in British Columbia. Oregon thinks the same way. And so it goes. Here is an extract from a speech by the Hon. Henry M. Jackson, of Washington, in the house of representatives, on February 23, 1943:

> Mr. Jackson: Mr. Speaker, I have to-day introduced a resolution asking that a special committee of the house be set up to investigate Japanese activities in the United States and its possessions. I have requested that this committee direct an investigation into any and all activities of the Japanese in the United States, its territories, and possessions. . . .

And so on. He says further:

> After my study of this question, I wish to assure the members of this house that there is not the slightest doubt in my mind but that the Japanese consul, taking his orders directly from Tokyo, ruled the Japanese colonies in our country with an iron and dictatorial hand; thus there was a society within a society and a race within a race. Every two years the Japanese consul in the large Pacific coast cities was changed and a new consul came in, bearing direct orders from the "Son of Heaven" in Tokyo. He directed the establishment of Japanese language schools; he managed the complicated Japanese financial system through the Japanese banks, owned and controlled in the land of the Samurai. The consulate office was the fountain-head from which flowed all directives to Japanese residents, both alien and native to this country, and was also the centre of espionage and propaganda activity.

And so on.

A committee is to be formed, and he or some of his friends suggested that we should take similar action here and have a joint committee to bring out the facts.

To come back to Canada, if the Japs get the vote here, millions of these fellows will rush in. We are holding them up by a restrictive quota now, which they often abuse, but once give them the power they ask and seek, they will have to have the vote, and they will come in by thousands, by millions, and take possession—infiltration is the nice word for it.

How are we doing without the Japs in our fishing? We are doing better than we did with them. It was not so popular to speak

against the Japanese in 1898, which I have done ever since I was elected to the house in British Columbia in that year. But the British Columbia government to-day has passed a resolution against the Japanese and so have city councils and the union of British Columbia municipalities. Here is what the union of municipalities said:

> That the provincial government be asked to demand that upon cessation of hostilities, all Japanese, both alien, naturalized or native born, be repatriated to Japan. . . .

And so on. I have resolutions from different Conservative associations—"Tories" they are called in some cases—demanding the calling of a special session of the British Columbia legislature if necessary to emphasize their view. "The Native Sons demand deportation"; "Tories ask ban on Japs," and boards of trade and similar associations pass resolutions to the same effect. I have had many letters on the subject, and I received only one opposed to my point of view and accusing me of being un-Christian and pandering to the mob for the sake of getting votes. But the writer gives the show away when he talks like that, because if I am simply engaged in pandering for votes, it must be assumed that I would pander for the most votes. If the population of British Columbia is divided into two groups, those for and those against, and I am just a vote-catching panderer, having some sense I would pander to the side which has the biggest majority; and in this very statement it is implied that the majority of the people in British Columbia want the Japanese repatriated. That argument works both ways. One can go back thirty-five years and find the same kind of record for the whole period.

I should like to endorse the statement made by the hon. member for New Westminster in connection with this man Trueman. Something ought to be done about that. Trueman has been appointed by this government on the British Columbia placement commission, and he had not well got there—I do not know that he had got there—when he made the statement:

> The reason for the mass evacuation of Japanese from Pacific coastal areas was not because of the Japanese, but because of the white residents. The problem was one of mass hysteria and race prejudice.

I say that any government that will allow a man to stay in office after making such a gross prostitution of his duties and obligations is unworthy of support in this or any other house. Here we have an appointee, a placement officer who is expected to try to carry on things smoothly, and he comes out and makes a statement like that. He could not possibly know what he was talking about. I think the next best punishment would be to turn him loose in British Columbia, but I am afraid he would have a hard time.

The last time I spoke I used these words, and I use them again: "It is not often in the lifetime of a nation that we get a chance to turn back the pages of history and start again." This is a chance that we have never had before and we shall never have again. If we do not use it now, we are sunk.

I should like to speak one word to my eastern friends the French Canadians, courtly sons of a courtly race. I say to them that I feel we have the same situation in British Columbia as they have, only our population is much smaller. We, too, are a minority, but our numbers are much smaller than theirs. We solicit their support, and if they help us we will not fail them when they want help from us. If you fail us to-day, it will be your turn to-morrow, because the Jap influx will spread over Canada; an invasion of the east would be just as ruthless and merciless as it would be in British Columbia.

A word to the politicians, who are supposed to be very bad people and have an eye on the next election. I say with all the emphasis of the experience I have that that man and that party that will pledge themselves to the two movements I have suggested will have my earnest and undivided support in the next election, and I am certain that the same applies to the great mass of the people of British Columbia, and possibly beyond that province, because the thing is beginning to spread. Alberta knows what is going on. So that I beg the government, before it is too late, and not, according to their habit too often, just after it is too late, to grapple with the situation and meet it before it gets out of our hand. As the hon. member for Vancouver South said, we cannot expatriate British subjects, even if they are only imitation British subjects, after the war, except in individual cases. We know that we can thus deal with people guilty of crimes connected with the traffic in narcotics, but I do not know if expatriation can be done on a large scale unless it is part of the terms of the treaty. That is for the government to decide. But I want to emphasize this, if it is the last thing I say in a lifetime: British Columbia and western Canada want stopped totally immigration of Japanese into British Columbia, and we want the repatriation at the end of the war of every individual of Japanese origin.

Mr. MacINNIS: Mr. Chairman, I am afraid that after that flesh-creeping speech, what I have to say will sound rather tame. We are now considering the item in the appropriation to care for persons of Japanese origin who were moved from the defence area of the Pacific coast following the declaration of war between Canada and Japan. I agree with the other hon. members who have spoken on this question that although for many years the question of the orientals in Canada—and this is only one phase of it—was almost altogether a question for the province of British Columbia, it is not any longer so, it is now a question for the Dominion of Canada. One of the things which the other provinces can do if they want to be helpful in this situation is to assist the government and the people of Canada to find a solution. It is not going to be easy to find a solution.

I want to congratulate the minister upon the manner in which he has handled this very difficult problem. A great deal more might perhaps have been done, but taking the situation by and large, with all the difficulties that surrounded it, I think the minister and the British Columbia security commission have made as good a job as could be expected. Perhaps the matter could have been more easily handled if the clearing station which was at Hastings Park had been put outside the defence area at the beginning. However, it might have been difficult to find an appropriate place, and that was not done. Nothing further need be said about it now.

Because this is a question which must be decided on principles, principles I believe such as are laid down in the Atlantic charter, the first thing I am going to do is to make my own position clear and definite beyond the possibility of a doubt either in this house, in my own province or anywhere in Canada.

Canada is at war with Japan. Canada is also at war with Germany and Italy. I see no reason why we should deal with the population of Japanese origin among us any differently from the way in which we deal with those of German and Italian extraction. If we deal with them differently—and we have done so—we do it on account of racial prejudice. So far as I have been able to ascertain: so far as anything that has been said in this house is concerned, the population of Japanese origin in the Dominion of Canada has been just as loyal as any other section of the people; and note this, no other section of the people has been treated in the way that these people have been treated. They have indicated their loyalty and their Canadianism in many ways. They have indicated their loyalty and Canadianism by their willingness to enlist. Very few of them, however, were allowed to get into the armed forces. They have indicated their loyalty by their willingness to work and to produce, and they have indicated their loyalty by cooperation with the government in the difficult task of evacuation from the Pacific coast. So far as I know, there has been no sabotage. There have been no subversive acts. I thought it was rather unkind of the hon. member for New Westminster (Mr. Reid) last evening in his speech, with a great deal of which I agree, to say, in mentioning that there had been no sabotage, that "perhaps" the time is not ripe. They are damned if they commit subversive acts, because there is no doubt then of their disloyalty; but when they do not commit sabotage or subversive acts, then it is not right to say that possibly the time is not ripe. Let us take the fact that the act was not committed as evidence that there was no intention to commit it. That is what we would expect in regard to ourselves, and I think it is part of the Christian creed that we should do to others as we would have them do to us. In the same way, we should think of others as we would like to have them think of us.

I said they were not allowed to enlist, and the reason for that is not one that Canada can be very proud of. They were not allowed to enlist because it was feared that their services to the country would strengthen their claims for the full rights of citizenship after this war was over. The hon. member for Vancouver South (Mr. Green) referred to certain steps that were taken to stop Asiatic immigration. We do not refer to Asiatic immigration now. We do not refer to the oriental question. We merely refer to the Japanese question. Why? Because we are at war with Japan. But after the war the whole question of the oriental population of British Columbia will be there just as it was there before the war began, and we cannot divide it now into watertight compartments. The hon. member for Vancouver South referred to steps taken to stop Asiatic immigration. He referred to what was done in 1923, the Chinese Exclusion Act, and he also referred to the bill introduced in 1938 by the hon. member for Comox-Alberni (Mr. Neill). I was wondering how he overlooked the resolution introduced by myself in 1936. That resolution was very explicit. It was debated in this house for at least a part of two sessions. I will read it:

Whereas it is detrimental to the best interests of Canada that there should be in the country

groups to whom, because of race or religious beliefs, we do not extend all the rights of citizenship;

Therefore be it resolved, that, in the opinion of this house, the government should take the necessary measures to exclude from the country all persons belonging to those groups to whom we do not grant the full rights and privileges of citizenship.

The Japanese belonged to "those groups" mentioned in the resolution; yet every Liberal and Conservative member of this house, alike, voted against that resolution; and the hon. member for Comox-Alberni, in speaking against it, told the house how satisfied he was with the manner in which the gentlemen's agreement between Canada and Japan had worked.

The hon. member for New Westminster, speaking last night, said he was sorry that the Cooperative Commonwealth Federation had brought into political discussion the question of votes for Japanese. May I tell the hon. member for New Westminster that the Cooperative Commonwealth Federation did not bring that issue into the political arena. If it was brought into the political arena and if it became a political issue, it was brought there by those who thought they could use it against the Cooperative Commonwealth Federation. That is how it was brought there. Let me tell the committee how it happened. During the discussion of the Franchise Act in 1934, the late Mr. Woodsworth spoke against the section in the act disfranchising the Doukhobors in British Columbia, and in the course of his remarks he mentioned that he was in favour of extending the franchise to the orientals. This dialogue took place in the house during the discussion:

Mr. Mackenzie (Vancouver): Is the hon. member in favour of enfranchising orientals in British Columbia?

Mr. Woodsworth: I am in favour of enfranchising orientals in British Columbia.

Mr. Neill: Did you say that during the late election in British Columbia?

Mr. Woodsworth: I did.

Mr. Neill: I did not hear of it.

Mr. Mackenzie (Vancouver): Is the C.C.F. in favour of it?

Mr. Woodsworth: Yes.

Mr. NEILL: Go on; finish the sentence.

Mr. MacINNIS: When we say, yes, that is all that is necessary. I did not stop reading it because I did not want to read it; I stopped reading it because I thought—

An hon. MEMBER: He thought there was a catch in it.

Mr. MacINNIS: Let me tell the hon. member that I act on principles. Do not think you will catch me. When you act on principle you do not have to worry about being caught.

Mr. NEILL: It reads, "I will go into your district and tell them." I have it here.

Mr. MacINNIS: If my hon. friend has it there I shall be glad to have him read it; I have mislaid the mark I had showing the page. I have been in British Columbia, a resident of Vancouver, since 1908, or thirty-five years, and I have never known an election yet in which the oriental question was not an issue. It was kicked around by both political parties, each one trying to make capital out of it against the other. But I agree that the question of the franchise did not become a political issue until 1934 when the C.C.F. decided that, because the orientals were brought to British Columbia by greedy employers for cheap labour, it was necessary to raise their standard of living by putting them on a par with white workers. The purpose of the old parties who wanted to exploit both the oriental worker and the white worker was to keep them apart. We decided to raise them to the status of citizenship and extend to them all the rights of citizenship so that they could better defend their own interests and the interests of all workers.

Mr. NEILL: I have that extract, which states:

Mr. Mackenzie (Vancouver): Is the hon. member in favour of enfranchising orientals in British Columbia?

Mr. Woodsworth: I am in favour of enfranchising orientals in British Columbia.

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Mr. Woodsworth: I did.

Mr. Neill: I did not hear of it.

Mr. Mackenzie (Vancouver): Is the C.C.F. in favour of it?

Mr. Woodsworth: Yes;

Then there is a semi-colon. The hon. member stopped reading in the middle of a sentence. Mr. Woodsworth then went on to say:

—there is no doubt about that. I will go into your riding and tell them so; there is no doubt about that.

I also have some letters here from the hon. gentleman himself.

Mr. MacINNIS: Anyone who knows anything about punctuation knows that a colon or a semi-colon is as good as a period. It is amusing to see the attempts that are made to-day to confine this question to the Japanese. If it will help the hon. member for Comox-Alberni, let me say that the C.C.F. has not changed its position since Mr. Woodsworth made that statement. If it does change its position on that question; if it ever discriminates as between race and race, then I shall be no longer a member of the C.C.F.

There are nearly as many Chinese in British Columbia as there are Japanese, and besides that there are some 2,000 East Indians, possibly not that many.

Mr. NEILL: Fifteen hundred.

Mr. MacINNIS: These are the blood brothers of the two million East Indians who have voluteered to fight for this country as well as for their own. Yet when these East Indians went to the legislature in British Columbia, these people who were British subjects before they came to this country, they were denied the right that every British subject should have, no matter in what part of the British commonwealth he may find himself. A few days ago we paid homage in this chamber to a woman, an oriental, one of the loyal Japanese race.

Mr. NEILL: Chinese.

Mr. MacINNIS: Chinese; that was a slip of the tongue. Along with many other members of this house I attended the reception given in her honour by the Chinese minister. I was greatly amused to find my British Columbia friends there sipping their cocktails quite unembarrassed.

Mr. NEILL: Was I there?

Mr. MacINNIS: I did not see my hon. friend. I did not mind that, but I wondered how they were going to square themselves with the Chinese, our gallant allies, when they went back to British Columbia and told them, "You are good enough to fight the Japanese but you are not good enough to have the vote in British Columbia."

The hon. member for New Westminster referred to the objections raised to the Japanese in the United States and he quoted a statement by one Miller Freeman. I do not know who this gentleman is; he may be a quite important person; but some little time ago I noted in the press that an action had been started by the native sons of the golden west in California to have the names of Japanese of United States birth removed from the register voting. The state appeal court consisting of seven judges gave judgment against this action without leaving the bench. I always thought that in the treatment of minorities the British people were ahead of any other nation in the world. I would hate to think that the United States had a better record than ours in this regard.

I have referred already to China and to what that country is doing in the great struggle in which we are all engaged. But there is another country toward which the eyes of the world are turned these days on account of the resistance put up by her people against a relentless foe. I refer to the Union of Socialist Soviet Republics. I was interested to note that one of the sections in the constitution of the Soviet Union provides for equal rights for all citizens. It reads:

> Equal rights for citizens of the U.S.S.R. irrespective of nationality or race, in all spheres of economic, state, cultural, social, and political life, shall be an irrevocable law.

I would not like my country to be behind any other country in those things that put the hallmark of civilization upon people.

The hon. member for New Westminster referred to the fact that some churches had declared against repatriation, while others were in favour of it. I have seen a resolution by at least one church against repatriation, but I have not come across any resolution in favour of the repatriation of persons of Japanese origin in Canada which has been passed by any church.

Mr. REID: The Baptist Church of British Columbia, at a conference in Vancouver, went on record.

Mr. MacINNIS: I have before me *The New Canadian* of May 29, which contains a resolution passed by the United Church of British Columbia at their conference. Referring to what we call repatriation but which for most of the population of Japanese origin in British Columbia would not be repatriation but would be deportation or exile, they have this to say:

> Such proposals as to deport large numbers of people born in Canada or who otherwise have acquired Canadian citizenship, is contrary to the Christian conscience and carries with it natural reactions in a deep threat to unity in Canada and of smoldering ill-will with promise of future wars from outside of Canada.

The resolution went further and said:

> We protest against the selling of private property by the government without the consent of the owners because the people belong to a particular race or are of a particular national origin, and against the application of the law of Canada in a different way with respect to persons due to difference of race or of national origin.

I associate myself completely with the resolution and protest of the United Church. I wonder if, when Franceschini was interned for a short time, his holdings were sold by the custodian of enemy property.

Mr. McLARTY: Yes; the assets of the Dufferin Construction Company were sold to the government of the Dominion of Canada. I can answer that question immediately.

Mr. MacINNIS: They were sold, but not in that way; he carried the deal through.

Mr. McLARTY: There is only one way to sell property.

Mr. MacINNIS: But those properties were not sold by the custodian of enemy property, so far as I have been able to learn.

Mr. McLARTY: Yes; they were sold by the custodian of enemy property and were purchased by the government of the Dominion of Canada.

Mr. NEILL: With regard to the resolution read by the hon. member as coming from the United Church, did he read that from a newspaper or from a letter?

Mr. MacINNIS: I read it from a newspaper.

Mr. NEILL: Well, I saw the same thing in the newspapers and I wrote those people. They wrote back and said it was a mistake, that they had not passed the resolution but had sent it back for reconsideration.

Mr. MacINNIS: If my hon. friend has that letter I should be glad to see it. I do not have it. I took the resolution as it appeared in the newspaper.

Mr. McLARTY: If the hon. member would permit me to ask a question. He quoted from a book in connection with what the Soviet Union was doing. I wonder if he would mind giving the name of the author of that book.

Mr. MacINNIS: The book is "Land of the Soviets" by Marguerite Ann Stewart, edited by Maxwell S. Stewart, cover by LaVerne Riess, a cooperative project between the American council, institute of pacific relations, and the Webster Publishing company, St. Louis, Dallas and Los Angeles.

Mr. McLARTY: If I might ask a further question; is the author of that book the erstwhile secretary of the communist party of Canada?

Mr. MacINNIS: I do not know whether the author of this book is the secretary of the communist party of Canada; I am not acquainted with the communist party of Canada or its officials. But whether or not he or she, as the case may be, is secretary of the communist party, the quotation I read was from the constitution of the Soviet Union, and consequently would not be modified either one way or the other by the political views of the author of the book.

In conclusion, I want to put myself definitely on record as being opposed to what is called repatriation of persons of Japanese origin in Canada. Most of these people, so far as I have been able to learn—the figures are conflicting—are of Canadian birth. I have in my hand the report of a special committee on orientals in British Columbia, made in December, 1940. I believe the chairman of this committee was Mr. Sparling, and the report has been sometimes referred to as the Sparling report. The figures given as to the status of persons of Japanese origin in British Columbia are as follows:

(1) Canadian nationals by naturalization, approximately	2,400
(2) Canadian nationals by birth, approximately	13,400
(3) Japanese nationals, approximately	7,200
	23,000

Mr. STIRLING: Would the hon. member give the date of that report?

Mr. MacINNIS: December, 1940.

Mr. STIRLING: Those figures are entirely different from the figures of the mounted police.

Mr. MacINNIS: These figures are different from those read by the hon. member for Vancouver South, a copy of which I have before me. Those figures are as follows:

Canadian born	6,584
Naturalized Canadians	7,012
Japanese nationals	9,868
United States citizens	16

I thought the figures I was reading were in answer to questions asked by myself, but the hon. member for Vancouver South has just handed me the answers to my questions, which give figures which are also different. These figures are as follows:

Japanese nationals	9,382
Naturalized Japanese	6,497
Canadian born	6,084
Citizens of other countries	12

I said I was opposed to repatriation because it would not be repatriation in the proper sense; it would be deportation or exile for these people. As a Canadian, as a Britisher, I am opposed to that sort of thing. There are reasons why that policy would not be feasible even if we agreed to it. It is very doubtful if it could be done for many years, or at least for a considerable time after the war was over, and then certainly it could be done only in consultation and agreement with the other united nations and under the general policy laid down for the settlement of questions having to do with racial minorities and matters of that kind. In that connection I should like to put on record a statement made by the Cooperative Commonwealth Federation, British Columbia section, in convention in April of this year:

1. That Japanese be now assisted to obtain productive and permanent employment outside

the protected area, and in other provinces at prevailing rates of pay to protect labour standards, and under conditions enabling them to re-settle with their families. This will substantially relieve the present man-power shortage and mitigate against any future concentration on the coast in British Columbia. In this connection attention is directed to the fact that a similar policy is being carried out in the United States, to the point where loyal Japanese-Americans are being enrolled in combatant units of the American army.

In the United States they are taken into war industry, and into all forms of production.

The statement continues:

2. That transfer of investments held by Japanese in British Columbia to other sections of the dominion be facilitated.

3. That education of the Japanese children be conducted in strict conformity with Canadian standards and under qualified Canadian teachers.

At the present time the Japanese who have been moved from the Pacific coast have no teachers other than Japanese. An attempt was made to shut them off altogether from the education facilities of the province, but there was so much objection to any policy of that kind, that it was not gone through with. But the fact remains that while we object to their national schools, we put them in a position where they can get no teachers other than those of their own race.

Then the statement continues:

4. That responsibility for the satisfactory resettlement of Japanese across Canada be fixed now with the dominion government.

I wish to draw that point particularly to the attention of the Minister of Labour. This situation is definitely now the problem of the dominion government. It must deal with this question in a national way; in a way which will be satisfactory to the people of British Columbia and the people of Canada as a whole. We should deal with it, not on a basis of racial prejudice, not on a basis of our present feelings in a time of war, but on the basis that we should extend our hatred to those who have earned it. In this case it would be to the leaders in Japan, to the ruling class in that country. But the innocent should not have our hatred; they should have our assistance and our protection.

Mr. CRUICKSHANK: I am sure the committee will agree that this is a matter in which there is great interest. This is the first time, since I have been a member of the house, that there has been any inducement or encouragement to look toward the staff sitting in front of the minister. We have talked all round the globe. We have made a global trip, touching upon Russia, China and India. I understood we were discussing the Japanese.

We have had quotations from the Winnipeg platform, and now the hon. member for Vancouver East gives us the platform of the Cooperative Commonwealth Federation. I understand the hon. member has definitely stated that his party is still in favour of giving the vote to the Japanese.

Mr. MacINNIS: And to the Chinese; do not forget that.

Mr. CRUICKSHANK: Mr. Chairman, I believe in taking one subject up at a time, not covering the whole globe all at once.

Mr. MacINNIS: The hon. member is very careful about the subjects he takes.

Mr. CRUICKSHANK: And I am not afraid to say what I am going to say now either in or out of my riding. The hon. member for Vancouver East has said definitely that he is in favour of giving the Japanese the vote. Now, I must say I understand why this item appeared in the Japanese Press.

Mr. MacINNIS: The hon. member understands something, then.

Mr. CRUICKSHANK: I would be a very clever man if I could understand the hon. member for Vancouver East. This article is headed:

Jap paper congratulates C.C.F. on Revelstoke win.

Then we find these words:

"New Canadian," an independent weekly for Canadians of Japanese origin, now published at Kaslo, has congratulated the C.C.F. on its "victory in hectic Revelstoke by-election."

The Japanese paper adds:

"To Japanese Canadians who have been agreeably surprised in the past by the democratic and forthright stand of the C.C.F. party regarding racial minorities, the election results defeating the repatriation advocates was a pleasant omen."

I can understand that, after my hon. friend has definitely stated where his party stands.

I do not wish to go into details which have been mentioned by other hon. members and which I have discussed before. The reason why hon. members from British Columbia continue to bring our points of view before the people from the east is that we must do so, or we shall get no action after the war. There were exactly six or seven British Columbia members who secured the removal of the Japanese from the Pacific coast area. Mark that, either six or seven were in battle, day

after day. Finally we convinced the government of the necessity of following the point of view we had advanced. And we certainly got no assistance from the preceding speaker in that connection.

We believed that the rest of Canada should be told our stand in the matter. I must say I have never heard any other hon. member, with the exception of the hon. member who preceded me, talk hatred in any way, shape or form. I do not know of any hon. member from British Columbia, other than the preceding speaker, who has introduced the word "hatred." We had absolutely no hatred for the Japanese, a point which was brought out well by the hon. member for Vancouver South.

It is neither reasonable nor sensible to expect us to handle as many Japanese as we have had, in proportion to our population. So far the rest of Canada has not shown us that it is willing even to assume part of the problem as a defence measure. I am surprised that the hon. member who has so much to say for the minority does not repeat that. We find that the rest of Canada is not prepared, even as a defence measure, to take part of these Japanese during the war. That is the reason why, so far as I am concerned, every time there is a session at Ottawa, and every time there is some excuse, I am going to mention the Japanese problem as it applies to British Columbia.

So far as my constituency is concerned, we do not want them back. And, following up that very line of being fair to the minority, may I say it would not be in the interests of the minority if this or any other governmental department attempted to bring them back. That is not an idle statement. Anyone who knows British Columbia knows it is the truth. Get in touch with the Canadian Legion or any other organization, and find out what they have to say.

For instance, my hon. friend referred to the churches. Well, he did not quote the Baptist convention. I hold in my hand a report appearing in the Vancouver *Sun* of June 18, and I should like to read what the Baptist convention said:

> The convention passed a second resolution criticizing "Those in political and religious life who have shown an exceptional interest in the fate of a very small minority of enemy aliens here in British Columbia."

I should be glad to read the rest of it to my hon. friend, because the *Sun* is a good newspaper. I would advise him to read either the *Sun* or the *Province,* instead of the *Federationist.* If he does so, he will keep up to date in British Columbia. The article continues:

> The resolution stated that "A great proportion of the Japanese minority are not clear in their loyalty to Canada, their land of adoption, and that every member of the Japanese community who is an adherent of the Shinto faith has by that attachment clearly indicated his allegiance to Japan and to no other country."

That is the Baptist convention. I should like to read a few other things, but I want to be brief.

What about this Prince Konoye, or that little rat Tojo—yes, coyote would be good enough. These famous, loyal Canadians, with "B.A." after their names, were the most dangerous ones we had to contend with. What did they say in the Vancouver press? They said that through the kindness of their hearts they permitted us to look down from our office windows on this distinguished Tojo. I am looking up to no Tojo, vote or no vote. The hon. member for Vancouver East said in effect that we ill-treated the Japanese, that we did not give them fair treatment.

Mr. MacINNIS: I said that they were treated differently from any other section of the community, and from any other racial group.

Mr. CRUICKSHANK: I accept the hon. member's statement. I admit that the Japs were treated differently. They were treated a great deal better than most races. I cannot read all of this paper. Part of it is in Japanese. It is called *The New Canadian,* and is dated February 20, 1943. There may be a speech by my hon. friend the member for Vancouver East on the back page. I cannot read all this sheet, but I can certainly read the English part of it, and I see here a federal government advertisement paid for by war bonds and war savings certificates. This is the advertisement the federal government puts in a Jap paper, run by these Japs that we are ill-treating so much! It is a selective service notice! I did not know before that they came under national selective service, but I know what some of the camps are like where these Japs are. I do not think the hon. member for Vancouver East has been to one of these camps. He should go and see them. I have one in my riding. We are paying $500 a month rental for a hunk of woods, with eighteen feet of snow in it, and you cannot get out of it for six months in the year. That is what we are spending each month to look after these Japs that we are ill-treating. There are 2,670 of them in one camp in my riding, and if I belonged to the right party I might get a hold on those 2,670 votes.

The hon. member also mentioned loyalty to Canada and said that we should take the Japs into our army. He said that was done in the United States. Has he read that article in the *Saturday Evening Post* by a United States aviator who was shot down? Has he read of the executions of United States flyers who came down over Tokyo? Did he hear a Canadian girl speaking from Toronto over the Canadian broadcasting system last Sunday and telling of her experiences as a prisoner in Japan during the war? In my opinion you cannot pay allegiance to two countries. You must owe your allegiance to one country and one country only. I would be insulted if I happened to be in Tokyo and anyone accused me of being loyal to Japan. I would still be a Britisher wherever I was and I think the Japs are the same way too. One of our allies has made the mistake, I think, of taking some Japs into their army. We have, I believe, exactly one Jap in the Canadian army. I hope I shall be corrected if I am wrong.

An hon. MEMBER: One too many!

Mr. CRUICKSHANK: One too many! It may be one less vote for some hon. gentleman's party in the next election.

The hon. member for Vancouver East criticized the hon. member for New Westminster and said that there had been no sabotage by the Japs yet. Does he seriously think we should wait until sabotage takes place before we prepare against it? Surely he does not mean that. Fortunately, there has been no particular sabotage by the Japs or the Germans or the Italians in Canada so far, but to suggest that they are loyal simply because there has been no sabotage does not make sense to me. I defy the hon. member to show any organization in British Columbia other than the Co-operative Commonwealth Federation, which has endorsed the retaining of the Japanese in British Columbia. The boards of trade, the women's institutes, the Canadian Legion and every other organization that I know of in British Columbia is not asking, it is demanding that the Japanese be sent out of the country after the war. I am surprised that one particular organization for which I have great respect, for it has recommended a lot of good legislation—

Mr. MacINNIS: I suppose we are doing it for votes!

Mr. CRUICKSHANK: I am glad to hear the hon. member make that statement. I had my own ideas about it. I do not mind the interruption. The hon. member for Vancouver East and I are good friends. We both enjoyed the hospitality of the Chinese consul, and it was intimated to me that I might be asked what my stand would be in connection with votes for the Chinese. I think I stated that after seeing their gracious first lady I would be delighted to join the Chinese army. But I am not here to discuss whether we should give votes to the Chinese or to the Japanese.

I want to bring home to hon. members from every part of Canada this point. I think it is the duty of this government to intimate to us in British Columbia what their policy is in connection with the Japanese problem. We cannot expect this government to lay down a definite policy now; I don't think any government could do that while the war is on, because, as the hon. member for Vancouver East said, there will have to be an international settlement after the war. We all know that, but I think this government should declare to the people of British Columbia what their stand is. Most of the Japs are still left in British Columbia. Make no mistake about this: The security commission is not running the Japanese in British Columbia; the Japanese are running your commission out there. They are telling you what you are going to do and what you are not going to do, and so far they have been successful in getting away with it. Then we have some two-by-four penny-ante official here in Ottawa saying that the people of British Columbia are getting hysterical over the Japanese. I resent that. Mr. Grant MacNeil, a former member of this house, a prominent member of the Cooperative Commonwealth Federation in British Columbia, and a former member of the British Columbia security commission, said publicly that there was no such hysteria. I would fire that penny-ante official in Ottawa to-morrow for insulting the people of British Columbia. We have no saner or more loyal people in Canada than are to be found in British Columbia, and if that two-by-four official is still on the payroll I would not wait until to-morrow, I would fire him out to-night.

I do not want to take up any more time. I am not afraid of any political party in my riding hearing the truth; Fraser Valley does not want and will not permit the return of the Japanese, and the government might just as well face that fact. Any party that is looking for votes from that class will be badly disappointed because we will not have them back in British Columbia.

Mr. STIRLING: It is not my intention to occupy many minutes this evening on this question of the Japanese. The matter has

been debated on many previous occasions, on most of which I have taken part, and there can be no doubt as to where I stand on the question. If we were to look back over the record, I doubt whether we should find a statement better and more clearly made and more comprehensive than that made this evening by the hon. member for Vancouver South. It was entirely fair in that it did not in any sense magnify facts out of their proper bearing. The reason why I rose at all this evening is that I do trust that this debate will not end until the government has made a plain statement with regard to its policy of the future of the Japanese.

I make that plea for this reason, that I represent a riding in the centre of the southern part of British Columbia. Perhaps hon. members will imagine a map of British Columbia suspended from the gallery, and draw a stripe of 100 miles wide down the Pacific coast, which would represent the protected area out of which these 24,000 Japanese were moved, and then will visualize the fact that directly after the treachery of Pearl Harbor some of these Japanese started creeping and seeping out of that area, before ever the British Columbia security commission got into the saddle, and landed into the three ridings which border that stripe—the southern part of Cariboo, the riding of Kamloops, and the constituency of Yale which I represent. I want to endeavour to impress upon the minister the fact that the feeling of anxiety which exists in the minds of the people of the southern part of British Columbia is but a natural one. In the central portion only of the Okanagan valley we had 500 Japanese residents long before Pearl Harbor. When the seepers came in, before the security commission got into the saddle, something like another 500 hived up with the original 500, so that we have a thousand Japanese. On top of that, about six weeks ago a few more entered that central portion as a result of permits which were issued, against the wishes of the population, by the security commission for Japanese to come in and labour.

The people in that interior part look on this question somewhat in this way. From the protected area the 24,000 Japanese have been removed. We have a thousand in the centre of the Okanagan. Far and away the majority of those 24,000 are still in British Columbia, and the 6,000 odd that have been sent across the Rocky mountains into other provinces have been sent in under agreements with the provincial governments, each of which contains the understanding that those who come shall also be sent away. The clause in the agreement has been quoted here this evening. So that the people in my part of British Columbia look at it in this way. The protected area has been emptied, and it has been emptied into our part of southern British Columbia. The voice of the inhabitants of the protected area is stridently in favour of declining ever to see these Japanese go back into the protected area. They realize the time will come when those who have gone into the other provinces will be removed from those provinces. Is it unnatural of them to ask, well, where will all these Japanese go? In the earlier part of the existence of the British Columbia security commission the commission made no bones about it whatever that the most convenient place to get rid of these Japanese from the protected area was to let them settle as soon as they got outside the edge of it, namely in the Okanagan valley and the riding of Kamloops and the riding of Cariboo, and the inhabitants of that part, agricultural land as it is, have no intention whatever of agreeing placidly to the return of the Japanese there.

There must be a solution which will deal with this matter once and for all. For at least twenty-five years it has been so great a difficulty to the province of British Columbia. That is well illustrated by the speech of the hon. member for Vancouver South. The dominion government once, twice, three times, four times prevented the carrying out of these actions that British Columbia decided to take. Let it be recognized at last that this is not a British Columbia question; it is a Canadian question, and if we are to have unity within Canada we must settle the Japanese question this time once and for all.

Mr. REID: There are one or two questions I should like to ask the minister.

Mr. MITCHELL: If I could reply in a general way to some of the observations, and then have the questions after, that might be satisfactory. I am going to be very brief, in view of the lateness of the evening.

In connection with the policy of the government having to do with the removal of the Japanese from the protected areas in British Columbia, my mind goes back a little over a year, when the responsibility for that movement was placed in the hands of the Department of Labour. I think it may be fairly said that in view of the apprehension on the British Columbia coast the Department of Labour has moved with expedition, and might I say, on behalf of the British Columbia security commission, has performed a satisfactory job under very difficult circumstances.

Some criticism has been voiced of certain members of the British Columbia commission.

As I said the other night, I have some knowledge of international affairs, particularly in the Pacific area. When I travelled west to British Columbia for the purpose of setting in motion this policy of moving the Japanese from the protected areas, I say frankly that in view of the situation at Pearl Harbor, in India, Australia, the Straits Settlements, Hong Kong, and the Dutch East Indies, I did not feel a very happy man. The news of course was of a character which I had to keep to myself. Nevertheless we set about the removal of these people. I think it was the hon. member for Vancouver East who said that possibly it would have been better if we had chosen a concentration place other than Hastings Park, but when I got off the plane and looked the situation over, that appeared to me to be the most satisfactory place to use as a dispersal point for these people.

I say, as I said last year, that it is not going to be said about me or my department while I am in charge of the policy of handling Japanese people that we will depart one iota from the kind of treatment of human beings that characterizes the British people and has given them the reputation they enjoy in the world. Let that be clearly understood.

The hon. member for Vancouver East made some constructive suggestions, particularly in connection with education. I say to him that there was no racial prejudice as far as the labour department was concerned in the removal of the Japanese. We moved that number in the manner we did on account of concentration of the Japanese in the protected areas. So far as my department was concerned, no racial prejudice entered into the question at all. At this point, in view of the fact that the British Columbia security commission has finished its labours, and now that the matter comes squarely under the jurisdiction of my department, may I give my personal thanks to the members of the commission for having undertaken a very difficult task. I have found, as I suppose other hon. members have found, that when you have a very difficult task it is sometimes not the easiest thing in the world to assume responsibility. But when the undertaking is completed, criticism is sometimes voiced about mistakes that have been made in the process of execution. So that I pay a tribute to Mr Taylor, Mr. John Shirras of the provincial police, assistant commissioner F. J. Mead of the Royal Canadian Mounted Police and Doctor Hodgins, who was and still is in charge of the medical services to the Japanese people, as well as to the advisory committee, who represented a good cross-section of all political parties and interests in British Columbia.

[Mr. Mitchell.]

Do not forget that to tear up by the roots a community equivalent to a fair-sized city like Guelph was no mean undertaking. We had to provide hospital accommodation, housing and schooling for those people, and all those health measures that are necessary in what we may term a civilized community, and I think it is to the credit of the people responsible that there have been no epidemics among the Japanese. There have been investigations by representatives of the Japanese government, through the Spanish consul in Canada, of the settlements that we have instituted and the policies that we have pursued, and I am glad to say that the representative of the Japanese was completely satisfied, as was the representative of the International Red Cross in Geneva, with the treatment which we have given these people, who at the moment, to all intents and purposes, are wards of the state. I hope that when the war is over and the story is told of our own flesh and blood who are at the moment prisoners of the Japanese, the same thing may be said of the Japanese government with regard to their treatment of our kith and kin who are at present prisoners in their hands.

Something has been said about the expense of the movement. I should like to compare our operations with those of the United States. They had about 110,599 to move to camps. It is true, as one hon. gentleman said, I forget who, that about 5,000 Japanese Americans are in the United States army. The estimated expenditure for a year of the United States government is $70,000,000 for that 110,000 Japanese, and that works out on a per capita basis of roughly $600. The expenditure in the past year by this department for the movement of our Japanese works out at $173.05 per capita. In that connection the economical operation by ourselves was not at the expense of the Japanese. We endeavoured to have a policy whereby from the outset as many Japanese as possible would be self-supporting. We felt, and I still feel personally, that the policy of dispersal is far better than the policy of concentration, and I understand, from advices from our good friends to the south, that they intend to follow a similar policy in that country. I think it is far better to have the grown-up Japanese go to work in a productive way and in turn to support their wives and families than to have them live in idleness in camps, and accordingly we have seen a movement east from British Columbia into other provinces. We see a movement into Alberta, Manitoba, Ontario and Quebec.

I think it is fair to say that in considerable part the fact that we can have the amount of sugar that we have at the moment

is owing to the manner in which the government and its agencies worked in getting the Japanese people to go into the sugar beet fields in Manitoba, Ontario and Alberta. Of course, we have the Japanese building roads in British Columbia and we intend to use them for the cutting of wood.

An hon. MEMBER: Oh, oh.

Mr. MITCHELL: Yes. My hon. friend can laugh. It may be that the Japanese in British Columbia will make it possible for him to keep warm this winter. We are setting in motion a policy whereby we hope—I would not say expect, but hope—to have them cut 100,000 cords of wood for use in British Columbia next winter, and if we are successful I hope that the complaints that came to my department last winter owing to the shortage of fuel in that province will not occur again this winter, so far as wood is concerned.

I should like to pay a tribute to the hon. member for Vancouver South for the contribution he made with respect to the historical background of the Japanese problem in British Columbia. I think it all adds to the sum total of the knowledge which the members of this house have of the problem. I would also thank other hon. members including the hon. gentleman representing the Okanagan district. I know something of the difficulties of the people there and something of their background, and I hope that we shall be able in large measure to meet their wishes. He knows, as I do, something of the complexities of the problem in that part of British Columbia, although numerically it is not a big problem. There is a difference of opinion as between certain sections of the Okanagan valley.

My hon. friends said something about government policy and asked what we are going to do after the war. I think this matter will be settled on an international basis, irrespective of our own personal opinions, irrespective of my own personal opinions, in regard to the matter. We know that eventually, when victory is assured or is ours, there will be a peace conference. No doubt the question of racial minorities in other countries will be dealt with at that conference, not only by Canada but by the major powers engaged in the present conflict. I assume that what will be the agreed policy of all the powers at the peace conference will be the policy of this dominion.

At the moment the policy of this dominion is, first, to keep the Japanese out of the protected areas in British Columbia or in any other province. Second, to find useful work for them so that they will be self-supporting. I think that is a sound policy. While it is not a glamorous policy and one cannot make emotional speeches about it, it is a constructive policy. I think all hon. members will agree that we have been reasonably successful in that direction. Third, as far as possible reduce the concentration of these people in large groups. I think that is a sound policy. When one considers the size of Canada, 23,000 people on a continent—Canada is part of a continent—are hardly more than pebbles on the beach. If there can be that degree of decentralization or dispersal, I do not think even my good friends in British Columbia will worry. Fourth, to see that the Japanese behave themselves, but to treat them fairly if they carry out the regulations as laid down by the government. The next is the international aspect, but I have dealt with that already.

In conclusion, I wish to thank hon. members for the contribution they have made to this debate. I appreciate that in attempting to formulate and undertake a policy as involved as one dealing with the Japanese problem it is a good thing to have suggestions and criticisms from members of this house and from people outside of the house through the members. Hon. members can rest assured that the labour department will do all in its power to face up to the problem in a common-sense, practical and humane way.

Mr. FRASER (Peterborough West): In referring to cordwood, the minister said ten hundred thousand cords; was that what he meant.

Mr. MITCHELL: I am sorry; it should be one hundred thousand cords.

Mr. REID: I am glad I gave way to the minister a few moments ago, because I believe he has given the lie to the statement made by Mr. Trueman who said that the removal of the Japanese had been demanded as a result of mass hysteria and of agitation by some members of parliament. The minister has pictured the situation as he saw it when he went to British Columbia. It was serious and the government acted wisely. It was not on account of mass hysteria. While the danger to-day on the Pacific coast may not be as great, when Pearl Harbor fell no one in this country knew what might happen in British Columbia. Here were 23,000 Japanese, hundreds of whom had bought new trucks which they had filled up with gasoline and loaded with gunpowder. They had the finest maps of the coast and they have eleven hundred fishing boats. Is it any wonder that the people of

British Columbia pictured another Pearl Harbor in that province? One might just as well talk about doing away with the A.R.P. in British Columbia, or on the east coast, as to talk about allowing the Japanese to go back to the coast.

I am glad the minister spoke as he did, because I believe he has drawn a true picture of the situation. I am glad the government moved as it did. Many of us took strong exception to the statement made by Mr. Trueman, who I claim did not know anything about the situation. I have only one thing to say about the speech of the hon. member for Vancouver East (Mr. MacInnis). I think he and others outside the house have failed to recognize the great difference there is in the two races. Whether he believes in what I believe in may not matter, but I want to bring this point forcibly before hon. members of the committee. There is a difference between people of German or Italian extraction and those of Japanese. We have hundreds of thousands of people in this country who are of German and Italian descent, but who in the second or third generation have become good Canadians. But who is going to marry into the oriental group? If they do, what will their progeny be? They will be oriental because that is what has happened whenever mixed marriages have taken place. That is one reason why I have taken this stand against the Japanese in British Columbia.

I may be misinformed, but my information is that the Japanese in British Columbia are under the surveillance of the Royal Canadian Mounted Police, and that they are moved about under a permit system and do not come under national selective service. If that is correct, I should like to know who is responsible for the large advertisement which appeared in a Japanese paper. There is a magazine published in New Westminster called *The Pensioner,* which is distributed throughout British Columbia and Alberta. The publishers of this magazine have tried to get some advertising from the minister's department or the government, but they have been turned down, the excuse given to them being that they are a class newspaper. I shall send the two papers along to the Minister of Labour and ask him how much this large advertisement in the Japanese paper cost. This is an advertisement in connection with national selective service and is over his name and the name of his deputy. Yet we could get no consideration for the old age pensioners' magazine. I should like to know why a white Canadian magazine could not get any advertising from his department.

Mr. CASTLEDEN: It probably attacks the government on account of its old age pension policy.

Mr. REID: I will leave the minister to answer that. When I asked the minister how it was that 115 members of the staff of the British Columbia security commission had been placed under the civil service commission, the minister had this to say, as reported at page 4174 of *Hansard:*

> The first appointments were made by Austin Taylor and his commission. Eventually the civil service went into the matter, and they were finally approved by it.

That is just a blanket statement. I wanted to know who interceded on behalf of these people with the civil service commission. I maintain that the civil service commission would not go out deliberately and take these 115 employees within the purview of the commission, these people whose chief qualifications were that they were friends of either the chairman or members of the British Columbia security commission. The minister must accept responsibility, and I should like to know who told the commission what was to be done. I should like an answer to that question.

Mr. MITCHELL: I do not know whether my hon. friend knows the procedure, but of course the security commission was permitted to take on these people for sixty days, after which they must be certified by the civil service commission. It is just automatic, and I do not know that I can add anything to that. They were not told to do it; it was done automatically. The civil service commission went in there and certified them.

Mr. REID: What about the advertisement?

Mr. MITCHELL: I do not know about that, but I shall be glad to look into it.

Mr. REID: I should like to know why you are advertising in that paper at all.

Mr. MITCHELL: If my hon. friend wants to ask a question on the orders of the day I shall be glad to give him the information.

Mr. REID: It is all very well to say I can ask a question on the orders of the day and probably be ruled out by the Speaker, but now is the time to ask questions in regard to these matters, and I think I am in order. The minister can give me the information privately if he wishes.

Mr. MITCHELL: That is all right, but if my hon. friend will be fair he will realize

that advertising amounting to tens of thousands of dollars passes through the labour department, and to be perfectly frank with my hon. friend I must say that I do not read every newspaper in which advertisements are placed. That would be a physical impossibility. However, I shall be glad to look into the reason why this advertisement appeared in this Japanese language newspaper.

Mr. REID: And why the other newspaper cannot get any advertising?

Mr. MITCHELL: Yes, I shall be glad to do that.

Mr. O'NEILL: There has been considerable controversy this evening with respect to this Japanese question. I may not be able to add anything to the debate, and I may repeat things that have been said already, since unfortunately I was not here throughout the discussion, but there are some things I wish to say so that I may not be misunderstood in my own province.

First, I wish to say that I am most emphatically with those hon. members from British Columbia who say that the Japanese must be repatriated to Japan after the war. I have in my hand a magazine put out by the British Columbia security commission entitled, "The Removal of Japanese from the Protected Areas". It is a fine little magazine, with very nice illustrations, and I think gives a fair outline of the work done by that commission. It is not my purpose to-night to quarrel with the members of the British Columbia security commission or with the work they have performed. However, there are some things I wish to call to the attention of the committee with respect to the Japanese.

When it became apparent that the Japanese must be moved out of the protected area, for very good reasons which were well considered by the military authorities of this country, the government erected some of the finest construction camps it has ever been my pleasure to see. These were in the North Thompson area, really from Blue River to Jasper, and the idea was that these men would be put to work to finish the construction of the highway between those points. Provision was made for the accommodation of about 2,000 men, and they were moved in there. Their accommodation, I may say, was far better than that provided for our own unemployed during the depression period; but what did the Japanese do when they went into that area? They started in to stage a succession of strikes against constituted authority in this country, until it become necessary to move them out of there. Now we have these camps, the finest any working man ever went into, standing idle.

It is said that the Japanese cannot be accused of sabotage. That may be true, but I say to you, Mr. Chairman, that by their constant striking they did everything humanly possible to destroy what the government was trying to do for them. Then the British Columbia security commission had Mr. Trueman look into the situation in the North River area, and report. But what did this same Mr. Trueman have to say about the people of British Columbia? This is his statement:

"The reason for mass evacuation of Japanese from Pacific coastal areas," he declared, "was not because of the Japanese, but because of the white residents. The problem was one of mass hysteria and race prejudice."

That is the man who, I believe, is still in the employ of this government, one of those who advise the Department of Labour and national selective service with respect to the Japanese. I do not see how we could expect any conditions other than those we have to-day when we have giving advice to the department a man who knows absolutely nothing about conditions in British Columbia and, I venture to say, very little about the Japanese people. Let us look at what we do for the Japanese people and contrast it with what we do for other people in this country. I have in my hand a statement submitted by the committee for the legal rights of the Finnish organization of Canada. I have no brief for these people; I am not pleading their case, but I wish to cite these conditions in contrast to the conditions in regard to the Japanese. The brief states:

The question of the properties of the Finnish organization of Canada is becoming more acute as the state of illegality continues. The fact that the people who built these halls and other properties and paid for them, often with great sacrifices from their meagre earnings, are denied the use of these properties although they are anxious to use these halls and other properties to the best interests of the Canadian people as a whole, still continues to be the worst thing in this connection. But as the state of illegality continues other factors are arising which aggravate the situation.

Not only are many of these halls standing padlocked and useless, serving no purpose whatsoever, but they are deteriorating very fast, because they are not heated or looked after otherwise. Many of them have already deteriorated to the point that it is very questionable whether it pays to ever repair them again.

Still worse is the fact that the custodians are not paying the running expenses, interests, taxes, insurance, etc., of these properties. The debts of these properties is thus accumulating and piling up against the original owners. This seems to be the case with most of these properties which are standing useless. It has been brought to our attention that at least in some cases even in places where the halls have been continually used, and the custodians no doubt

have collected the rent regularly, taxes and other expenses have not been paid. Rouyn, Quebec, is one such case, and there are no doubt others. In fact this state of affairs has now developed to the point that municipal authorities are in some cases threatening to sell the halls for arrears in taxes. Sprucedale, Ontario, is one of these places.

These people are Canadian citizens; they are allowed to vote and have all the other rights of citizens in this country, but because they belong to an organization which was considered illegal these things are being done to them. On the other hand we have the Japanese, who are not loyal to this country; who, though they may have been born here and are registered here and are supposed to be citizens of this country, are at the same time registered also as citizens of Japan, a country with which we are at war. This seems a very unfair situation, but that is the condition which exists at the present time with respect to the Japanese. I understood that the Japanese boats were all put under a commission, which had authority to sell them or deal with them in any other way, but they had to keep this Japanese property in shape. On the other hand here is the property of real citizens which is not being looked after. It does seem to me that in these instances the Japanese are being used far better than they have any right to expect to be used by this country.

My principal idea in rising to-night was to place myself on record in support of the other hon. members from British Columbia who have spoken with respect to the repatriation of the Japanese after the war.

Item agreed to.

Payment to the provinces in connection with organizing and operating day nurseries and like facilities, $120,000.

Mr. GRAYDON: This item calls to the attention of the committee a matter which, I believe, has engaged the sympathetic ear of the people of Canada in a way which has not been accomplished by some other items with which we have dealt. It would be in the interests of the committee and of the public if, before proceeding further, the minister would give a statement respecting the operation of day nurseries. I would suggest that he make a somewhat comprehensive statement in the matter, and that in so doing he would be performing a useful service.

Mr. MITCHELL: I have a statement in front of me, but I believe it would be unwise to give part of it now and part of it to-morrow. For that reason I would suggest that we call it eleven o'clock, and that I give the whole statement to-morrow. I would not want to cut it in half.

Mr. GRAYDON: I agree with the minister. This is a matter in which many hon. members are interested.

Progress reported.

On motion of Mr. Mackenzie (Vancouver Centre) the house adjourned at 10.55 p.m.

Thursday, July 1, 1943

The house met at three o'clock.

PRIVILEGE—MR. KNOWLES

REFERENCE TO PRESS REPORT OF SPEECH OF MR. CRERAR AT STONEWALL, MAN.

Mr. S. H. KNOWLES (Winnipeg North Centre): Mr. Speaker, I rise to a question of privilege. The privilege to which I refer has to do with a newspaper report concerning a speech of mine made in this house, in which report there was an entirely incorrect statement, as I shall prove by reference to *Hansard*.

The report to which I refer appears in the Winnipeg *Free Press* of June 29, 1943. The article is entitled, "Aluminum contract defended by Crerar." The portion which I wish to read is directly within quotation marks and is attributed to the Minister of Mines and Resources (Mr. Crerar). The speech was made, according to this report, at Stonewall, Manitoba, last Monday.

"Suppose the government had taken over the Aluminum Company of Canada, as the C.C.F. wanted us to do, what might have been the result? The international cartel might have denied us the use of bauxite and cryolite, two necessary ingredients, and we would not have been able to produce any aluminum.

"I asked Mr. Stanley Knowles in the House of Commons what he would have done under such circumstances. He gave me no answer."

It is in connection with that last sentence that I rise to a question of privilege—the statement that I gave the minister no answer, which, in the light of the record, to me is misrepresentation. I hold in my hand a copy of *Hansard* of June 14. On page 3634 I find the following:

Mr. Crerar: Assuming that the government had stepped in and expropriated or taken over the whole enterprise of the Aluminum Company of Canada on the Saguenay river, what would it have done for raw material? All the raw material that is converted into aluminum in the plant on the Saguenay comes from another country, and we do not and could not control that by any expropriation proceedings.

Mr. Knowles: The answer I make to that is, first, that the raw material comes from Newfoundland and from British and Dutch Guiana, all of which countries are part of or under the united nations.

Then there were certain interruptions, points of order and so on. A little later in the column the Minister of Mines and Resources repeated his question:

Mr. Crerar: The hon. member for Winnipeg North Centre offers strong criticism of the government because it did not do a certain thing. I think I am quite within my rights in asking him how he proposes we should have done it. I ask him how he would have done it.

Mr. Knowles: I take it that the minister has admitted that the aluminum interests had the government on the spot, so that the company could say to the government: This is the world price and you must pay it. And the government agreed to it.

My point, Mr. Speaker, is that the statement that I did not answer the minister's question is entirely incorrect, as *Hansard* bears out. He asked the question twice, and I gave an immediate answer on both occasions.

Mr. MACKENZIE (Vancouver Centre): No answer at all; absolutely none.

Hon. T. A. CRERAR (Minister of Mines and Resources): I do not know if I am in order, but since my hon. friend has raised the question I may be permitted to make a comment on his remarks. I submit still that any reading of *Hansard* indicates clearly, and what my hon. friend has read indicates clearly, that he did not answer the question I asked him. I will put it to him now, and perhaps when he goes out to—

Mr. HANSON (York-Sunbury): Selkirk.

Mr. CRERAR: Well, to Selkirk or Montreal or anywhere else, he will answer it then. I asked him what the government would do if it had taken over the plant and raw materials were denied to it, and my hon. friend did not answer the question. He has not answered it yet, and I venture to say he will not answer it when he goes on the hustings in Selkirk to make speeches.

Mr. KNOWLES: Mr. Speaker, if I had taken time to quote further from *Hansard* I could have shown that I said that the entire properties of Aluminium Limited should be taken over under the National Resources Mobilization Act, and further the minister knows that the properties outside Canada from which the raw materials are taken are owned by Aluminium Limited one hundred per cent, so that we could have taken them over at the same time.

CANADA AND THE WAR

REVIEW OF EVENTS OF RECENT YEARS—76TH ANNIVERSARY OF CONFEDERATION

Right Hon. W. L. MACKENZIE KING (Prime Minister): To-day Canada celebrates the seventy-sixth anniversary of confederation. To-day is also the fourth Dominion day to be celebrated since the outbreak of war. To place our war-time situation in perspective, I should like for a moment to recall the conditions of war in previous years.

On July 1, 1940, the whole free world had been shaken to its foundations by the collapse of France. That was the darkest period in the war. The British nations alone stood—and they stood almost unarmed—against the seemingly invincible nazi war machine. Italy had joined the aggressor, and her armies were poised on the borders of Egypt. Most of the world waited anxiously for some inevitable climax.

The year which followed was the year of survival for the cause of freedom. The seemingly inevitable did not happen. Britain stood, battered but unbroken, against the nazi onslaught.

On July 1, 1941, the character and scope of the war had just been vastly changed by the furious and treacherous nazi assault on Soviet Russia. The minds of free men, deceived for years by lying propaganda, were suddenly called upon to face a wholly unexpected situation. None of the free nations faltered. In that hour, all extended the hand of friendship to the Soviet Union.

In the following year, as the titanic struggle on the steppes of Russia ebbed and flowed, the war in the east was joined with the war in the west. The dastardly attack upon Pearl Harbor made of the war a global struggle.

On July 1, 1942, the war had reached another dark hour. The soviet armies were being driven back; Japanese power had been extended far and wide in southeast Asia, and the islands of the Pacific. The gates of India were threatened by Japan; the Germans and Italians had reached the outskirts of Alexandria. Suez was in deadly peril. On the Atlantic and on the Pacific, enemy sea-power was increasing. The shores of North America were threatened.

The past year, however, witnessed the turn of the tide. In Russia, the Germans were driven back. In the Pacific, Japanese advances were checked. The axis forces were driven completely out of Africa; and on the Atlantic the U-boat menace has, for the time being at least, been greatly reduced.

On this Dominion day, July 1, 1943, the world scene is vastly changed from a year ago. The united nations have everywhere gained the initiative. In the Atlantic, in the Mediterranean, in Europe, in the far east, and in the Pacific—in fact, in every theatre of war, there are substantial reasons for encouragement. The united nations are prepared for even fiercer fighting. They have steeled themselves to endure heavy losses, and to meet reverses and setbacks. All are determined to do their utmost to win. All now believe that their combined efforts will result in ultimate victory.

Each Dominion day in war time has marked steady progress in Canada's contribution to the cause of freedom. In 1940 we had only one division of our army overseas, a mere handful of airmen in action, a few ships on the Atlantic. Air training was only beginning; war production barely beyond the stage of planning and organization.

In 1941, our army overseas had served for a year as a bulwark of Britain's defences in the period of her gravest peril; our trained airmen were already a considerable factor in combat; our navy, greatly expanded, was taking a growing share in guarding the vital north Atlantic sea lanes; our war production and our foodstuffs had proved essential to Britain's continued resistance.

In 1942, our forces on land, at sea, and in the air had still further expanded. Canada's fighting men had continued to keep the world's citadel of freedom secure from invasion. Our fighting men had seen action on every sea and in the air, over almost every battlefront in a world-encircling conflict. Our war production was approaching its peak; our production of foodstuffs reached heights which seemed incredible. Our country was approaching a total effort.

To-day, July 1, 1943, as the united nations everywhere turn to the offensive, Canada is ready to take her full part in the forthcoming combined assault upon the enemy. We have mobilized our production, our forces, and our resources for the great offensive.

The war effort of Canada—on the production lines of the home front, in the skies over many an embattled land, on all the seas around the world, and in preparation for the supreme offensive against the European stronghold of the nazi enemy—is an evidence of our strength and of our purpose. It is an affirmation of our faith in the cause for which all the united nations fight. It is a gauge of Canada's emerging importance among the great nations of the world.

In the course of the last great war, we saw general recognition given to Canada's status as a nation; a status later accorded full recognition at the imperial conference of 1926, and still later confirmed by the parliament of the United Kingdom in the statute of Westminster. In the course of the present war, we have seen Canada emerge from nationhood into a position generally recognized as that of a world power.

In the greetings which have come to the governent from many parts of the British commonwealth, and from foreign countries, this note has been predominant. The consensus is summed up, I believe, in the following paragraphs, which, according to a Canadian Press cable, appeared to-day in a leading London newspaper:

> Britain and the empire join in a salutation on the dominion's 76th birthday.
>
> They hail her not only as a member of our group of peoples, but as a world power in her own right.
>
> Such is the energy of her people that industrially, and by measure of armed power, Canada ranks fourth in all the company of the united nations.

As our contributions to the war effort of the united nations have increased, so also has the stature of our nationhood. We are all proud of the extent to which mutual aid from Canada is helping other allied nations in arms, in the fight against axis aggression. In the years that lie ahead, our country will have responsibilities never hitherto imagined. There will be tasks of helping to feed the liberated peoples whose homes and homelands have been destroyed and despoiled; of joining in the economic rebuilding of shattered national economies, and coordinating them within a world-wide system of interchange of goods and services; of sharing in the ordering of the world community for the future, so that there may be peace and justice, freedom and security for all. These are great tasks for any nation. We are already preparing to take our full share of these tasks.

The realization that we may still be at war when we reach July 1st of next year must certainly colour our thoughts and remembrances on this national anniversary.

The new year of our existence as a dominion, which begins to-day, will witness the supreme effort of Canada. Our people may, in the course of its days, be called upon to pass through an ordeal greater than our country has ever experienced. In that ordeal we know that our fighting men will nobly uphold the honour of our country; that they will display the utmost resourcefulness, fortitude and heroism. The coming months will demand from all of us steadiness, determination and the utmost unity.

After nearly four years of war our country, fortunately, is more united than it has been at any time since the outbreak of war. Canadian workingmen and women, Canadian farmers, Canadian business men, Canadians in all walks of life, have shown their readiness to put the interests of their country and of the world's freedom before their own immediate interests. In a world in which racial strife and racial domination are the instrument and the aim of the enemy, we in Canada have achieved a measure of racial harmony which is surpassed in no other country. It may truly be said that we have built a nation founded on the principles of equality and brotherhood among men. If a new era in which men and women can enjoy peace and prosperity is to be achieved, the application of these principles must be extended to the relations of all nations with one another. By our strength in war, and by our understanding and cooperation in peace, Canada can contribute mightily to the building of a better world.

To-day it is the prayer of the people of Canada that the Divine Power which has guided and guarded our country throughout the years of its growth may sustain our armed forces in their endurance of bitter conflicts, may give courage to our homes during the period of supreme trial that already is so nearly upon us, and may endow all the forces of freedom with the power and wisdom necessary to secure for mankind a just and enduring peace.

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, on this memorable and historic occasion, as we pass another milestone along the pathway that has led us from confederation to this day it is with no small feeling of pride and of responsibility that I rise to add a word to what the Prime Minister has just said.

It is a sobering thought, and I could not help but think how sobering it was as I listened to the Prime Minister this afternoon, that perhaps in this seventy-seventh year of our Canadian federation, upon which we are now entering, we, the Canadian people, may be called upon to endure an ordeal such as this country has never before experienced. Since the year 1915 on eight different occasions, including to-day, we have celebrated Dominion day in the midst of a global war. We have been engaged in two global wars since we celebrated Dominion day in 1915. We can all at least hope and pray that whatever may lie ahead, whether or not it may bring the peace for which we are all looking, in the holocaust through which we must go before the rays of the sunshine of peace fall upon us, the Canadian people will carry the burden in the historic and traditional way of Canadians in years gone by.

Canada so far in this war has enjoyed relative security compared with many of our allies among the united nations and the British commonwealth itself. We have been spared some of the sorrows and sufferings which our allies have had to undergo. But as we celebrate the anniversary of confederation—and may I say, sir, that we celebrate it not simply as English-speaking and French-speaking Canadians, but as Canadians all, whatever our extraction—I am proud as a Canadian to join with the Prime Minister in marking this important occasion.

I should like to close with this reference. In the midst of our thoughts are the members of our armed forces, our soldiers, our sailors and our airmen. They have written in the past and are writing now and will write in the days to come glorious pages in the history not only of Canada but of the British commonwealth of nations—yes, and of the world too. As we send them our greetings, whether they be overseas or in Canada, we wish them godspeed and good luck. To their loved ones left behind, and to those who have already lost some of their dear ones in this war, we extend as a parliament our condolences.

I think parliament too must pledge to the men of our armed forces, to whatever branch they may belong, unanimous support to the full limit of this country's resources in manpower, materials and finance in the perilous task in which they are engaged for the sake of all of us. We owe them a debt of gratitude which it will be very difficult for us in the years to come to pay. But we must resolve as a people to pay that debt, no matter how much it may be.

We are proud indeed as Canadians, as we look upon the past and assess the present and face the future, to feel, as the Prime Minister has said, a new power within ourselves from the position we occupy in the great British commonwealth of nations and in the world at large.

Mr. J. H. BLACKMORE (Lethbridge): I have always rejoiced in the coming of Dominion day; for I have always been proud of our country, Canada, and have always been glad to contemplate the great future which can be in store for Canada if we manage our country wisely. It is a cause for satisfaction to all Canadians that Canada has attained national status; that she has become a world power; that she is now recognized as the fourth among the world powers. It is cause for deep satisfaction that we have almost boundless responsibilities in the world which is to come—responsibilities for the feeding of the peoples of the world, and for the rehabilitation of the world. But while we are rejoicing in what has been achieved; while our hearts are swelling with gratitude for what

has been done in our behalf, I trust that on this fateful day we shall not allow ourselves to be lulled into complacency with respect to the things that are ahead. Not only must we win this war; we must win the peace, and the foundation of that peace must be laid right here in this parliament, this year.

I am sorry to have to say, and I trust it will not mar the spirit of this occasion, that up to the present time there has not been one single, solitary fundamental principle laid down by which the reorganization of a sound and safe world may be undertaken. The all-important problem for the Dominion of Canada, as for the world as a whole, is to learn how to distribute goods both within this country and among the nations. Until the Prime Minister can stand in his place and tell us that this problem has been solved, that the principle upon which the solution depends has been discovered and that he will adopt that principle, most of his beautiful speeches will remain just beautiful speeches.

The men are doing their share. On many occasions I have expressed reverence for the youth of this land; they have conducted themselves magnificently. I am not going into details to show how little right we had to expect the glorious achievements that our boys have brought about, but in spite of the handicaps under which they were placed they have achieved greatly, and an everlasting tribute of gratitude is due from all the people to the youth who have risen to such heights. My only concern, Mr. Speaker, is as to whether or not the men at home are to be worthy of the youth who have gone to fight our battles, or whether they are to betray those youths when they return, as they have already betrayed them into war.

Canada can contribute a glorious share to the future of the world. The important question is whether she will do so, or whether, when this war is over, she will plunge into fierce commercial rivalry. Is Canada preparing to-day to engage in genuine cooperation, or is she preparing for commercial rivalry? That question should be answered; and if the answer is that she is looking forward to commercial rivalry, then on this Dominion day we are far from having attained the degree of perfection which we should have attained.

There is great hope for the future. When the war broke out I said we must not expect to be destroyed. There is a splendid future in store for us if we are but wise enough to know how to enter into the promised land. If we cooperate with the members of the British commonwealth of nations as we could and should, we can build a greater and stronger commonwealth and empire than has ever been dreamed of during its long history. If we do not cooperate, we shall be on the way downward with respect to the empire. If Canada and the members of the commonwealth and the United States can learn to cooperate as they should, then we can assure the world freedom from war in our own right, as an Anglo-Saxon race associated with the friends who are within our gates. The question for us to ask ourselves is whether we are to discover the principle upon which true cooperation is based.

May I, sir, join with those who have already expressed solemn gratitude to the boys and girls who have gone forth to fight this war, to defend the principles of freedom, to defend us and all that we hold dear. May I join also in the note of reverence with which the Prime Minister concluded his remarks. I feel that we should be filled with the deepest thanksgiving to-day to the God of our fathers who has thus far guided our destinies through this dreadful conflict and given us the hope which we are now able to enjoy. In these two respects I wish to join with those who have already spoken, in expressing profound gratitude and thanksgiving on this Dominion day.

Hon. LOUIS S. ST. LAURENT (Minister of Justice) (Translation): Mr. Speaker, may I also, as a Canadian who is proud of a title which befits all of us, of whatever racial extraction, be permitted to add just one word?

This is the anniversary of the birth of the Canadian confederation and on this occasion I deem it appropriate—and I am sure all hon. members of this house have the same feeling—to emphasize that the term "Canadian" applies to the citizens of a nation whose parliament is bilingual.

I shall not attempt to summarize again in French the events which have marked the last four anniversaries of our confederation. If I refrain from doing so, it is for the simple reason that both languages are official, and because what is said in one language does not need to be repeated in the other language; it is said to all. I wish particularly to associate myself with the noble statement made by the right hon. the Prime Minister (Mr. Mackenzie King) to the effect that our young nation intends to fulfil ever proudly her part as a member of the united nations, everywhere recognized as a full grown, important and *sui juris* member of the family of those great nations which are to-day united in defence of liberty and Christian civilization, which constitute the most treasured heritage of each of them.

Mr. ANGUS MacINNIS (Vancouver East): In the absence of the leader of this party it is appropriate that I should say a word for our group on this anniversary of confederation. We should be thankful indeed for the improvement in the war position to-day as compared with 1940. I doubt if any member of this house can ever forget the dark days of the summer of 1940. I am sure I can never forget them, because they were the most terrible days I ever experienced.

In considering the improved position to-day I think we should try always to keep in mind how we arrived at this position. We have reached our present position through the cooperation of all the people of the united nations. It was not the work of governments; it was not the work of industrialists; it was not the work of this class or that class. It was the welding together into one whole of the combined efforts of our people for a common purpose. In that, and in that alone, lies the hope of the future. If after this war is over, if after peace comes we are not able to continue this cooperation, then I am afraid all we shall have won through suffering and bloodshed will be lost.

The Prime Minister spoke about the great achievements of this dominion, and mentioned that we have now reached the status of a great power. I believe that we have; and having reached the status of a great power we have immensely increased our responsibilities. We must no longer in the councils of the nations allow other people to make our foreign policy for us. We must exercise the power which we have now obtained.

In the reading of history I have not derived comfort from the achievements of the great powers. I do not think any great power to this day has used its power for the good of humanity. Power has been used for the creation of empires. Empires have not always been used for the welfare of humanity. If we are to be great, if we are to achieve greatness in the future, if we are to have peace and harmony, then we shall have to stop thinking of empire and begin thinking in terms of a world community—not Anglo-Saxon, not of only English-speaking races, but of the whole world.

Mr. GRAYDON: The hon. member will not forget the empire, will he?

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I should like to say a few words in support of the splendid addresses of the Prime Minister (Mr. Mackenzie King), the leader of the opposition (Mr. Graydon), the leader of the Social Credit party (Mr. Blackmore) and the hon. member who spoke on behalf of the Cooperative Commonwealth Federation (Mr. MacInnis). They have rewritten to-day the axiom laid down by Sir John A. Macdonald at Kingston in 1844, with respect to the destiny of this country. I was pleased, too, to hear the Minister of Justice (Mr. St. Laurent) speak on behalf of French Canada.

Four years ago we were honoured by the visit of the king and the queen. The tremendous popularity of the monarchy was clearly demonstrated in all the provinces; in Quebec the school children turned out in such large numbers to welcome them. We are fighting this war for the right to live, but we must not forget the peace terms. The little man who saved England and who fought at Dunkirk will have something to say about those peace terms. And unless we as a dominion remain part of the British empire we shall have very little to say at the peace table. Let us not forget that we are allied with two powerful and imperialistic nations, the United States, and our great ally Russia. They may not be imperialistic in the sense that they want to grab more territory; that remains to be seen. There are many leading men, however, in those countries who do want extra territory. I say, however, that they are imperialistic only in the sense that they want to have a large share in world affairs and in the stipulation of the terms of peace.

Great Britain cannot exist after the war without the dominions. She needs them, as they need her. She has been the good Samaritan during this war to all the nations. Unless we remain closely allied with her she will become only a second class power after the war, and we shall have little or nothing to say about the terms of peace.

In this war we are fighting as an empire on the side of humanity, liberty, freedom and civilization. We will remember that the British Prime Minister said that he had not become prime minister to preside at the liquidation of the empire, or to let the empire go by default. If that were to happen, the mother country would become a second class power, at the edge of Europe.

I rejoice that this message of hope is to be sent to our troops at the front, and it pleases me that those of us who are working in the House of Commons have taken this opportunity to pay tribute to the glorious record of the mother country down through the ages, and to the part the dominions have played.

Mr. MACKENZIE KING: Mr. Speaker, I suggest this would be the appropriate time and occasion for hon. members to join in the singing of *O Canada*.

Whereupon the members of the house rose and sang *O Canada*.

PRIVATE BILLS

FIRST READINGS

Bill No. 111, for the relief of Gertrude Mantha Hore.—Mr. Fulford.

Bill No. 112, for the relief of Claire MacLaren Hunter Barlow.—Mr. Ross (St. Paul's).

Bill No. 113, for the relief of Mary Constance Helena Keys Bates.—Mr. Claxton.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SUGAR FOR CANNING PURPOSES

Mr. CRUICKSHANK:

1. What amount of sugar for canning purposes has been allotted per individual in each rural and urban ration centre in Canada?
2. What was the average amount of sugar used per housewife for canning purposes in each of the years 1939, 1940, 1941 and 1942?
3. Upon whose advice was the amount set in rationing of sugar for canning purposes in rural and urban districts this year?
4. What experience has such person or persons in practical canning?
5. Were women's organizations consulted? If so, which of them?

Mr. ABBOTT:

1. Sugar for canning purposes was allotted to the various local ration boards on the basis of 11·34 pounds per applicant.

2. The average amount of sugar used per housewife for canning purposes in 1939, 1940 and 1941 is not available. According to statistics prepared by the ration administration, 106,179,000 pounds were used for home canning purposes during 1942.

3. The home canning programme was decided upon after discussions between the sugar administration, the foods administration, the consumer branch, the ration administration of the wartime prices and trade board and the Department of Agriculture.

4. The questions to be decided related to sugar distribution and the mechanics of rationing, rather than the method of canning.

5. The foods administration, the ration administration, the consumer branch of the wartime prices and trade board and the consumer branch of the Department of Agriculture each had a woman representative attending these discussions.

YOUNGSTOWN, ALTA., DEFENCE PROJECT

Mr. QUELCH:

1. What is the purpose of the proposed defence project immediately north of Youngstown in Alberta?
2. How much land does it embrace?
3. How many farmers were situated in this area?
4. Have any farmers been moved out?
5. Has it been decided to abandon this project?

Mr. MACMILLAN:

1. An explosives depot.
2. It would have embraced 11,840 acres.
3. No resident farmers situated at site selected.
4. No. Farmers only held leases and grazing permits. Other owners not resident on land.
5. Yes.

R.C.A.F.—ENLISTMENTS—NURSING SISTERS

Mr. HANSON (York-Sunbury):

1. What is the distribution of Royal Canadian Air Force enlistments and appointments by provinces from October 1, 1939, to May 31, 1943?
2. How many of said enlistments and appointments are nursing sisters, and how many nursing sisters are there in each province?
3. Do the figures include the overseas enlistments?
4. What is the basis of transformation of enlistments?

Mr. MACMILLAN:

1. Distribution of R.C.A.F. enlistments and appointments by provinces as at 31st May, 1943:—

Province	Number
Prince Edward Island	1,407
Nova Scotia	6,216
New Brunswick	5,468
Quebec	22,554
Ontario	76,209
Manitoba	17,642
Saskatchewan	18,289
Alberta	16,691
British Columbia	18,806
Total	183,282

2. 286 nursing sisters distributed by provinces as follows:—

Province	Number
Prince Edward Island	3
Nova Scotia	12
New Brunswick	11
Quebec	23
Ontario	104
Manitoba	42
Saskatchewan	29
Alberta	41
British Columbia	21
Total	286

3. No.

4. Transformation of enlistments by recruiting centres into enlistments by provinces is based on 80 per cent sample of R.C.A.F. strength as at the end of 1942. In other words, enlistments in the first five (5) months of

1943 have been assumed to be in the same relative proportions by provinces as was revealed in an accurate count taken at the end of 1942, and which covered 80 per cent of R.C.A.F. strength at that time.

NATIONAL BREWERIES LIMITED—REPATRIATION OF SHARES

Mr. NICHOLSON:

1. What is the value of the shares of National Breweries Limited formerly held by residents of Great Britain which have been repatriated to this country?
2. What has been the total value of these shares sold to Canadian investors?
3. What disposition has been made of the balance?

Mr. ABBOTT:

1. $669,175.
2. $669,175.
3. Answered by Nos. 1 and 2.

RECEIVER GENERAL OF CANADA

Mr. HANSELL:

1. Who holds the position of Receiver General of Canada, and where is his office located?
2. What are the duties of the Receiver General of Canada, and what is his salary?
3. Does he occupy any other government positions? If so, what remuneration does he receive for each of these positions?
4. How many are on the staff of the Receiver General, and what are the classifications of these positions?

Mr. ABBOTT:

1. Hon. J. L. Ilsley, East Block, Parliament Buildings, Ottawa.

2. The Department of Finance and Treasury Board Act (chap. 71, revised statutes of Canada, 1927) provides that "there shall be a department of the Government of Canada, which shall be called the Department of Finance, over which the Minister of Finance and Receiver General for the time being, appointed by the Governor General by commission under the Great Seal of Canada, shall preside . . .". Salary of Minister of Finance and Receiver General is $10,000 per annum.

N.B.—For some years after confederation the office of receiver general was a separate office distinct from that of the Minister of Finance but this separate office was abolished in 1879. Section 1 of Chap. 7 of the Statutes of Canada, 42 Victoria, reads as follows:

"The following provisions of this Act shall come into and be in force on and after a day to be fixed by proclamation under an order of the governor in council.

The Department of the Receiver General shall no longer be a separate department of the civil service of Canada and the office of receiver general shall no longer be held by a separate member of the government of Canada, but the Minister of Finance shall be also ex-officio receiver general, and shall as such, in addition to those of the Minister of Finance, have the powers and be charged with the duties which the receiver general now has or is charged with; and he shall have and be charged with such other duties generally as may be assigned to him from time to time by the governor in council; his name of office shall be "Minister of Finance and Receiver General"; and the expression "Minister of Finance" or "receiver general" in the act passed in the forty-first year of Her Majesty's reign, and intituled "An act to provide for the better auditing of the public accounts", or in any other act or document, shall hereafter be construed and have effect as meaning the "Minister of Finance and Receiver General".

3. Answered by No. 2.

4. The staff of the receiver general is the same as that of the Minister of Finance. See estimates for details of salaries and positions of the Department of Finance.

QUESTIONS PASSED AS ORDERS FOR RETURNS

NATIONAL FILM BOARD

Mr. HANSELL:

1. What are the names of the members of the national film board?
2. What is the organizational set-up of the board; how many are employed, and in what position?
3. How many films have been released to, (a) motion picture theatres; (b) for other uses?
4. How many films in the Canada Carries On series have been released up to the 31st May, 1943?
5. What remuneration has been received from motion picture theatres for use of films up to May 31, 1943?
6. What was the total cost of the national film board, and its work for each year of its operation?

SOLDIER SETTLERS—QUIT CLAIMS AND REPOSSESSIONS

Mr. FAIR:

1. With respect to soldier settlers who signed quit claim deeds or who were served with thirty days' notice of repossession between April 1, 1941, and March 31, 1943, what was the date of the original purchase of the land in each case?
2. What was the original purchase price?
3. What amount was advanced for implements, stock, etc.?
4. What amount was paid by each settler on account of his loan?
5. What amount was written off in each case?
6. How many acres of new land were brought under cultivation?
7. What was the valuation of the land and improvements at the time of recision of the contract either by quit claim deed or thirty days' notice?

Mr. CRERAR: I should like to say a word to my hon. friend about this question. There

will be about 330 accounts affected, and it will be necessary to go back for twenty years to get the information. There is not the slightest objection to bringing it down, but it will be some considerable time before the information can be got together. Perhaps on that basis it might stand as an order for return.

HALIFAX HOTEL PROPERTY

INQUIRY AS TO PURCHASE OR LEASE BY THE GOVERNMENT

On the orders of the day:

Mr. P. C. BLACK (Cumberland): I should like to ask the Minister of Justice if he is able to give the answer to the questions asked by me on Monday of this week with regard to the purchase of the Halifax hotel.

Hon. L. S. ST. LAURENT (Minister of Justice): I have not all the details available. An order for a return in this connection was passed on June 21, with respect to which the information available in the Department of Justice has been transmitted to the Secretary of State, who is making inquiries from other departments, because the order covers all properties acquired by any department of government. However, I may say that the purchase of the Halifax hotel with furnishings was completed on June 23, at a price of $100,000.

Mr. HANSON (York-Sunbury): That is what you call salvage.

Mr. ST. LAURENT: I must confess that I do not know what my hon. friend is referring to as salvage.

Mr. HANSON (York-Sunbury): The public will be interested.

Mr. ST. LAURENT: This is a property that was required for the use of the R.C.M.P.

Mr. HANSON (York-Sunbury): Salvage; over a hundred years old.

Mr. ST. LAURENT: If my hon. friend wishes to answer the question in my stead, I am perfectly willing to take my seat.

Mr. HANSON (York-Sunbury): I do not want to be discourteous, of course. If I have been discourteous, I apologize. The interjection flashed through my mind and it was too good to let pass.

Mr. ST. LAURENT: This property was purchased to house ninety men at present lodged and boarded by Wartime Housing Limited in Halifax. Other personnel located in various parts of the city will also be housed in the same property.

[Mr. Crerar.]

Mr. BLACK (Cumberland): I wish to thank the minister. If I remember correctly, inquiry was made as to the estimated cost of improvements and furnishings.

Mr. ST. LAURENT: There are practically no alterations required. There is a very small amount—I would not venture to give the exact figure from memory, but it will be in the return which will be available within a day or two—to be paid out for minor repairs in addition to the purchase price, which purchase price included the property and the furnishings.

LABOUR CONDITIONS

THREATENED STRIKE IN CAPE BRETON MINES

On the orders of the day:

Hon. R. B. HANSON (York-Sunbury): I should like to direct a question to the Minister of Labour. It will be recalled that there was a strike in five mines on Cape Breton island over a most trivial matter but which resulted in a loss of production of 10,000 tons of coal. I am informed from Sydney that there is a threat hanging over this government or over the powers that be to the effect that if this strike is not settled there will be a two-day strike next week which will mean a loss of 20,000 tons in production. This situation ought to be dealt with. I want to know what the Department of Labour is doing to prevent a repetition of something that should never have been allowed to happen last week. It is serious, and it may be more serious if the situation is not dealt with. To my mind there was not the slightest reason for a cessation of work there.

Mr. MITCHELL: There was a strike in a cafe—

Mr. HANSON (York-Sunbury): I know the cause of it; what are you doing about it?

Mr. MITCHELL: As soon as we had information of the strike at this particular cafe, I believe in New Glasgow—

Mr. HANSON (York-Sunbury): The strike I am talking about was in the mines.

Mr. MITCHELL: We immediately sent a conciliation officer and it was agreed among the parties that this came under provincial jurisdiction.

Mr. HANSON (York-Sunbury): Passing the buck.

Mr. MITCHELL: There was no passing the buck; let that be clearly understood. In view of the observations made by my hon. friend I shall be glad to have one of our conciliation officers look into the matter.

NATIONAL ANTHEM

"GOD SAVE THE KING" AND "O CANADA"

On the orders of the day:

Mr. T. L. CHURCH (Broadview): I have a question I should like to ask the Prime Minister. Just before the war broke out in 1939 when we were being visited by the monarchy I asked the Prime Minister what was the national anthem of Canada. He replied, quite properly, that "God Save the King" was our national anthem. I asked if there was any other, and he said there was another provincial anthem, as I understood it, "O Canada." I contend that that was just the same as "The Maple Leaf Forever" or any other sectional anthem sung by any of the other races. Parliament has all along refused to change our flag and parliament refuses to change our anthem. Our only national anthem is "God Save the King," and why the other anthem was sung to-day I do not know. It is not the national anthem. Why was not "The Maple Leaf Forever" sung? Have we two national anthems? If so, who authorized them?

Mr. HANSON (York-Sunbury): Let us sing "God Save the King" now.

Mr. MACKENZIE KING: If my hon. friend does not know why "O Canada" was sung to-day, I can only say that I am very sorry for him. Perhaps my hon. friend if he wishes further information will put a question on the order paper with respect to matters pertaining to flags and anthems. There are already several on the order paper which I have not answered as yet.

Mr. CHURCH: There is only one national anthem—"God Save the King".

JEWISH REFUGEES

INQUIRY AS TO AID TO BE GIVEN BY CANADIAN GOVERNMENT

On the orders of the day:

Mrs. DORISE W. NIELSEN (North Battleford): I should like to ask a question of the Prime Minister because of several inquiries which have come to my desk. Would he let us know when he intends to make a statement with regard to the aid Canada may give to Jewish refugees?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I should like to be able to oblige the hon. member, but I cannot say how long the present discussions are going to take. When we have made progress with some matters which are on the order paper I shall be making a statement on external affairs. I hope it will be soon.

REDISTRIBUTION

PROPOSED AMENDMENT OF BRITISH NORTH AMERICA ACT—CONSIDERATION ON MONDAY NEXT

On the orders of the day:

Mr. J. SASSEVILLE ROY (Gaspé): I wish to direct a question to the government. There are persistent rumours, which have found their echo even in the newspapers, to the effect that the government is about to withdraw the resolution which has appeared on the order paper for the last few weeks, in the name of the Minister of Justice, for the purpose of amending the British North America Act as regards redistribution. As it is a matter of very great importance, the people of this country wonder if this rumour has any ground. Has the government considered the advisability of withdrawing this resolution, and if so, when does the government intend to proceed with the redistribution in conformity with the constitution and the 1941 census?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member's question as he has expressed it has gone beyond the point of a mere question. I shall not therefore attempt at present to answer specifically what he has asked, but I would say to hon. members that I have felt that the government should not lose further time in getting before the house the resolution on the order paper in respect to the amendment of the British North America Act. I had intended to confer this afternoon with the leader of the opposition (Mr. Graydon) opposite and ascertain if he would be willing to agree, and I hope other hon. members will be willing to agree, to have it understood that on Monday next we would take up that particular order. The house will realize that the action this parliament takes if the resolution is adopted will require further action on the part of the parliament at Westminster. It is inadvisable to delay that much longer. The discussion of the resolution should not take very long. I would hope with the consent of the house to make it the first order for Monday next.

WAR APPROPRIATION BILL

PROVISION FOR GRANTING TO HIS MAJESTY AID FOR NATIONAL DEFENCE AND SECURITY

The house resumed from Wednesday, June 30, consideration in committee of a resolution to grant to his majesty certain sums of money for the carrying out of measures consequent upon the existence of a state of war—Mr. Ilsley—Mr. Bradette in the chair.

DEPARTMENT OF LABOUR

Payments to the provinces in connection with organizing and operating day nurseries and like facilities, $120,000.

Hon. HUMPHREY MITCHELL (Minister of Labour): The leader of the opposition (Mr. Graydon) when the house adjourned last night suggested that I should make a complete statement on this item, which I am now prepared to do.

While at all times there is undoubtedly division of opinion in Canada on the subject of mothers of young children working in industry, I think it is fair to say that the majority opinion tends to favour mothers remaining in the home rather than working, where at all possible, and the mothers' allowance acts of the various provinces have been designed with this objective in view.

Whatever might be said of normal times, war conditions must of necessity of course temporarily change our views with regard to many peace-time practices. Because of manpower and woman power shortages it is necessary to accept the offer of services in industry made by mothers with children, and in some cases it is even necessary to encourage these women to accept industrial employment as an aid to our national effort. Nevertheless, the policy of the Department of Labour is to put emphasis on single women or married women without children accepting industrial employment in the first instance. Of course at all times some mothers must work by reason of domestic circumstances. This is apart from cases where any industrial demand may require their services.

Fully recognizing the problem which arises in regard to the care of children when mothers are engaged in industry, and realizing that their numbers will gradually increase as long as the war lasts, the government believes that special arrangements should be made for the care of the children of mothers working in war industries. The provincial governments were approached, and we received advice that at the moment there was no need of special arrangements except in the provinces of Quebec and Ontario. Further correspondence has taken place from time to time with the other provinces.

On June 16 of last year a conference was called in Ottawa and attended by the ministers and the deputy ministers of public health and welfare in Ontario and the department of health and social welfare in the province of Quebec. With the full and sympathetic cooperation of the provincial governments, a proposed agreement was discussed.

Prior to this conference many meetings were held with experts in the field of child care. Among others we were indebted to Doctor George Davidson, executive secretary of the Canadian Welfare Council, and Doctor Karl Bernhardt, acting director of the Institute of Child Study, and to the International Labour Office for their comprehensive summary of systems of day care established throughout the world.

We decided upon a high standard for the day care centres, believing that over a period of time, the expenditures would be well worth while. Health and nutrition services, staff and equipment, were to meet an agreed upon standard.

An order in council passed on July 20 authorized the Minister of Labour to enter into an agreement with any of the provinces for the day care of children. Agreements have already been signed with Ontario and Quebec, the former on July 29 and the latter on August 3, 1942. All other provinces have had the agreement submitted to them. Surveys are being made from time to time by the provincial departments and the social agencies to study the situation and agreements will be signed when the need arises.

The agreement provides for:

(1) Day nursery care for children two to six years old.

(2) School supervision, outside of school hours, of children over six years old.

(3) Foster home care for children when nurseries are impracticable.

(4) A provincial committee with dominion representation and also local committees. All committees represent labour, community welfare, health and educational interests.

All of these plans are developed on a fifty-fifty cost basis between the dominion and the province, less the amount contributed by the parents. We decided that the parents should pay a fee. In general the parents pay 35 cents a day for one child and an additional 15 or 20 cents for other children from the same family. In the school plan the mother contributes 25 cents a day for the first child and an additional 10 cents for other children from the same family. These rates set out in the agreement are not hard and fast and may vary somewhat, according to the unit and circumstances. Our aim is to keep them sufficiently low for the parents to afford them.

In order to keep in touch with the need, our local employment and selective service offices have been directed to cooperate with local committees and provincial authorities

and, in addition, to keep the federal department informed. There is a constant exchange of information, and one of our federal officials confers frequently with the provincial authorities.

In Toronto, as well as in Montreal, an officer, formerly a social welfare worker, devotes all her time to interviewing mothers who seek work and making arrangements for the children to have day care if such is required.

A sample survey was made over a period of some weeks, and it was found that approximately eighty per cent of working mothers made their own arrangements for the care of their children, with the help of relatives, et cetera, and each mother must be approached before the real need is known.

When I was in Great Britain recently I made inquiries as to the system of day nurseries and child care which is in operation there, and the information I received was that it was slow in getting under way for the reason that most mothers prefer the child to be looked after either by the mother-in-law or by friends or by some member of the family. I take it that the same is true of Canada, more so in view of the fact that we have not had such long experience in these matters. I believe that accounts for the result of this study, in which it is indicated that eighty per cent of the mothers prefer to have their children looked after either by relations or by friends. This explains the fact that in many centres where the need would seem to be apparent a survey will show no actual need. Through the employment office, the provincial government or committees of social agencies, inquiries have been made in Kitchener, London, Windsor, Welland, Niagara Falls, Kingston, Ottawa, Collingwood, Guelph, Belleville, Vancouver, Victoria, Trail, Alberni, Fort Erie, Edmonton and several other places, where it is felt the situation may warrant day care centres. In cooperation with the provincial governments, the situation will be met as it arises.

When twenty children are registered or likely to be registered, plans are drawn up by the local committee. These, with the estimate of expenditures, are submitted to the federal government and approved with the least possible delay. We are usually informed of the situation previously and the inspection has already been made.

Serious consideration was given to the clause in the agreement which defines the scope of the project. Child care is normally the responsibility of the province, in cooperation with its local groups. However, it was felt that the federal government should assist by sharing with the provinces the additional burden caused by war conditions. This would of course relate chiefly to war industries. The interpretation of war industries covers a very wide range; for all A and B priority occupations are considered under the agreement to be war industries. By reason of the general tendency for more mothers to accept employment, owing largely to the need for man-power in other lines of work, the dominion felt that it was only fair to extend our help somewhat beyond industries which are strictly war industries. Therefore, it has been agreed with the provinces that twenty-five per cent of the children cared for in any centre may be the children of working mothers who are not in industries clearly defined as war industries.

Two weeks ago a conference was held with the representatives of the provincial governments concerned, and after a careful examination of the records it was believed that the original decision was satisfactory.

The present situation is as follows:

Eighteen day nurseries are approved.

Fourteen day nurseries are operating—six in Toronto, one in Brantford, one in Oshawa, one in St. Catharines, and five in Montreal. Accommodation, 750 children.

Sixteen school units have been provided—twelve in Toronto, three in Hamilton, and one in Lakeview Beach. Accommodation, 1,000 children.

Waiting approval since yesterday: one day nursery in Toronto; one school unit in Toronto.

Mrs. NIELSEN: There are one or two observations I wish to make on the item now under consideration, but before I do so I would call the attention of the committee to the innovation that has been introduced by the Minister of Labour in bringing a woman from his department to assist him with his estimates in the house. I wish to congratulate the minister upon this, and I congratulate also the woman in question upon having entered, not as a woman member, but in the important position as an adviser to the minister. I only hope that other ministers will follow his example and that we shall see more women in this position in the chamber before long.

Listening to the statement which the minister made when he first spoke, and again the statement he has made to-day, I would say that on the surface what he has said regarding the care of children looks very good, but I have had a considerable amount of correspondence with those who are working both on the boards set up in Ontario and Quebec and with other people interested in this matter, which has

brought to my attention many facts and proves conclusively that there is a great deal of dissatisfaction.

I myself am one of those who feel very strongly the need for the care of small children. We are lauding the place of women in our war effort, but unless we realize the penalty which many women have to pay for taking a job and at the same time being responsible for the care of their children, we are not really giving women an opportunity to take up to the maximum their share of responsibility.

When he was speaking on Wednesday, June 23, the minister paid a fine tribute to the women of Canada. He is reported to have said, at page 3941 of *Hansard:*

> If I had unlimited time I would amaze this house by reciting the occupations in which women are now employed. I will simply mention that they are now employed in sawmill operations, in the delivery of ice, in surface operations at the International Nickel Company's mines, and we are to use them at surface work in our coal mines.

And again he said:

> For the mother who must go out to work, the care of her children is a vital and often distressing problem. Her peace of mind requires assurance that the smallest children are in safe hands throughout the day and that the older ones have supervision after school hours. Only then can she give her mind fully to the job in hand.

The knowledge I have of children's day nurseries extends only to the two largest cities, Toronto and Montreal. The joint dominion-provincial scheme, although it may have appeared to the government to be the best, is I think the cause of some unnecessary delay in the setting up of these nurseries. There appears to be delay when the board in the city of Toronto has applied for certain buildings in connection with day nurseries, because the provincial government then has to apply to the dominion government and time elapses before anything is really done. It is an astounding thing that in a city the size of Toronto, where we have so many thousands of women workers, we are actually taking care of only roughly 280 children of pre-school age. The reason why the government has not made further progress is that the whole question of creches and day nurseries is regarded as a temporary measure, merely something to fulfil the needs of war time. In my opinion this is an incorrect premise upon which to build a scheme of this kind. The emancipation of women as wage-earners has come to stay. It is not just a temporary war measure. I feel I am speaking the views of every Canadian woman when I say that the women of Canada do not want, after the war is over, any suggestion that the only place fit for them is the home. The old slogan which was trotted out before the women of Germany, that the only things that they were fit for were kirchen, kuchen, kindern, is not applicable to the women of a democracy, and women will not be content to work only within the limits of their homes. They realize that the fullest and widest extension of democracy is necessary that they shall be able to take their place in full equality with men in the whole social and economic structure of this country.

The day nurseries which have been started during the war were started, of course, as a war-time emergency, but the need for day nurseries was felt long before the war started and will continue and grow after the war is over. Among the low income groups, mothers have for a good many years been forced to work, and the need they have for care of their children has always been great. The first years of a child's life are the ones in which the child needs the best care and the most careful training. The years leading up to school age are those in which habits are formed. But in many homes, among the poorer working people, the mothers have been overburdened with housework as well as the work they have done outside their homes to earn a living, and it has been a terrible thing for the children that these mothers have not been able to devote the time they should have devoted to the care and training of the pre-school age children.

Among the higher income groups, too, I would say that there has also been a need, and still is and always will be, for nurseries to take care of children. In the higher income groups we find not so many children to a family, but I think it would be quite correct to say that some of the mothers in the higher income groups do not have any better knowledge or understanding of child training and child psychology than the mothers in the lower income groups. Sometimes the children in those homes where there is a better income are petted too much and given an exaggerated sense of their own importance. They are not trained in social habits. Children who have suffered from a lack of training in their very early years, when they grow up to adult life and take their place in society, often become known, for want of a better term, as "rugged individualists". There are too many of this type in our society to-day. They are the cause of many of our social ills. The present generation of "rugged individualists" will die off sooner or later, and we do not want to raise another generation of this type in Canada. I would say that the pre-school nursery is the answer.

There may be some people who would say: why should the state provide pre-school nurseries for children in the higher income group so that mothers may be able to spend more time at bridge, perhaps? But my concern is not with the mothers so much as to help the children who need the benefit in their earlier years of training in social consciousness to make them better members of society. We are, I hope, near the end of the age of individualism and advancing to an age of new social relationships and new social responsibilities.

One of the chief obstacles to the government's getting further ahead with the day nursery scheme I believe is their policy with regard to the buildings for housing the children. It is the government's policy at present to rent, not to buy or build. I would suggest the use of the war-time housing plan for providing suitable buildings. At present in the city of Toronto there are five day nurseries, and the minister has just said that a high standard has been attained. But four of these day nurseries are maintained in churches and one in a rented house, so that I am just a little dubious as to the high standard prevailing. In my opinion, churches, which are usually somewhat dark and dull buildings, are poorly equipped for taking care of little children. A building of that type is far removed from the ideal of the light and airy place in which little children should be living. After all, many of these children arrive at seven in the morning and do not leave until five or six at night, so that they are in the nursery the whole day long. It is essential too that there should be a playground in connection with the nursery so that the children can get out in the fresh air. It is not a usual thing for churches to have any large open space around them. It seems to me that in choosing church buildings for day nurseries the government has chosen a very poor type of housing.

In Toronto I understand that the board of education has arranged in two schools for some space to be allocated for day nurseries, but the trouble is that in the most overcrowded parts of the city, where there is the greatest need for day nurseries, there are neither houses to rent nor churches with space around them, nor rooms in schools to be had. That is particularly true of ward 2, in the Moss Park area. Three months ago a request was made by the committee on day nurseries for the purchase of a war-time house for the care of children. The provincial government promised to take it up with selective service three months ago, but so far nothing has been done.

There is another thing which I think is wrong with this scheme, and that is that only children of mothers who work in war industries are eligible for the day nurseries. I know that the government says that their definition of war work is a broad one, but I quote from a letter sent to me recently from one of the board members in Toronto:

> The government say that their definition of essential war work is very broad indeed and also the twenty-five per cent allowed from non-essential industries, but you will see how ridiculous it all is when I tell you that on the list of priority industries which selective service has here—

This is in Toronto:

> —and which we have to be governed by, both for the school feeding of the school child and of the pre-school child in a day nursery, the Royal York and the King Edward come under the priorities list, so a mother working there can get care for her child, while another mother working at Muirhead's restaurant or other restaurants or, of course, Eaton's, etc., is turned down at once. Those are not essential industries, though of course the women working there are releasing men for the armed forces and for war work. Of course, it should be for all children of working mothers.

I should like to say something about the feeding of school children. There are ten schools in Toronto, so my information goes, where this feeding plan is carried out. It is done by charity organizations. The Salvation Army and various churches are responsible for looking after the feeding of these children. In Toronto fifty per cent of the applications for the children of working mothers to receive a hot meal in the middle of the day have been turned down because the mothers were not working in priority industries, that is, direct war industries, although the school boards are all in agreement that the child of any mother who is working as a result of the war emergency should have the advantage of being given a hot meal in the middle of the day. I shall have something to say a little later about the prices for these meals.

In the city of Montreal there are no creches at all for children under two years of age. There are five day nurseries. In Montreal these day nurseries are run on strictly denominational lines. There are two English Protestant, one Jewish, one English Catholic and one French Catholic. I am very much opposed to the idea of anything of this kind on behalf of the children of this country being done on strictly denominational lines. Children are children; they are not Catholic or Protestant or Jewish or anything else. They have the right to equal treatment, to

be mixed together, to learn to know each other and not to be segregated into these strict groupings. There is also this point to it. At the present time I understand that not all the children in the Jewish day nurseries of Montreal are Jewish. It so happened that there were not enough Jewish children in that area, and at present some other children are there, but as more Jewish children apply for admission to the day nurseries the others who are not Jewish will be refused admission and will not be allowed to go there.

The other point with regard to these day nurseries in the city of Montreal is that they are practically all in the eastern part of the city; and in the whole of Montreal at the present time we are taking care of only about 250 children. There are three day nurseries run by religious orders in that city, but they are not for mothers working in war industries. Last November it was estimated that there were some 12,000 women working in one large war plant in Montreal, and that they had approximately 3,000 small children. Here we have 3,000 small children belonging to mothers working in one plant, yet in the whole city of Montreal we are taking care of only 250 children. The minister says that as the need arises the scheme will be expanded. I would say that the need has arisen, that it has been apparent for many months, but that we have been very lax and very slow in the whole project, which was instituted over a year ago.

I should like to say something about the salaries paid to those in charge of the day nurseries. My information is that the director of a day nursery receives $108 a month, the first assistant $85, and the second assistant $75. In my opinion we need highly trained people to take charge of day nurseries. I was trained as a teacher of small children, and I have a great deal of knowledge with regard to the requirements of kindergarten training. I should say there is no phase of a child's life when knowledge of child psychology is more needed by teachers and trainers than during the first few years, when they are in these pre-school nurseries. The salaries paid at the present time to those in charge of these organizations are not sufficient to attract people of the right type. Particularly is that so because in my opinion this should not be a temporary measure but should be brought gradually within the full scope of our educational system, to be a lasting and proper thing for our children henceforth.

Referring to Montreal again, the buildings are usually churches, and I was told by the minister of a Protestant church, who is on the board in that city, that the churches of Montreal are not very anxious to rent their buildings for this purpose. I can quite understand that. Questions such as heating, lighting, janitor service and so on are not easy to arrange, and it is only when the need becomes pressing that the churches become willing to allow their buildings to be used by these small children.

Then there is the further question of the supervision of play for children after school, before their mothers return from work. Here again we have not been successful to any great degree. The way children in the cities are running the streets after school hours is having a most detrimental effect upon their young lives. Teachers have written to tell me about children sleeping at their desks in school because of the fact that they are running the streets at night, with no one at home to open up the house so that they might be cared for and looked after. There is great need for the establishment of supervised play centres for the children of our big cities whose mothers are working.

The Minister of Labour also mentioned the cost of the meals given these children. The charge for the noon meal of school children whose mothers are working is 25 cents for one child and 35 cents for two children. In Great Britain the cost of the noon meal is only 7 pence, of which the government is responsible for the payment of 3 pence. Our price of 35 cents for two children may not be too bad, but the charge of 25 cents for one child in my opinion is far too much to ask any mother to pay. A good, nourishing meal can be provided for much less than that if the thing is properly run and looked after.

I should like to quote another statement from this letter which I have received from a member of the board in the city of Montreal:

> What is not yet clear and what needs to be made clear immediately is how the whole cost of this programme is shared as between the dominion government, provincial government and parents of children. The general public balks when they cannot discover what it is going to cost them until a project actually is running. To ordinary working people deductions for meals or for care in a nursery for one or more children is too often just another deduction to the many already made from the pay cheque.

In my opinion the government should definitely take over part of the cost of these meals.

I should like to make it perfectly clear to the minister that I regard absenteeism as one of the worst problems we have to face in industrial production; yet I could never blame a woman for taking time off if she was nervous or worried about a small child. Being a mother myself I understand the anxiety which

a mother feels when she believes her children are not being adequately cared for. We are in urgent need of proper provision for all the children of mothers employed in industry, and when that is provided I believe we shall eliminate one of the causes of the absenteeism which is so rife among our people.

I suggest to the minister that certain things be done immediately. First, I think a survey should be made at once by the boards in the various cities where women are employed in industry, to ascertain exactly the number of women who would be anxious to place their children in day nurseries if adequate facilities were provided; that is, if proper war-time housing were provided and the mothers knew their children would be looked after in properly equipped buildings. That is a very different thing from asking women, as I imagine they are being asked to-day, whether or not they want their children to go into some old building or some church during the time the mother is at work. Second, the government should start at once upon a programme of erecting prefabricated houses in the parks and open spaces, where supervised outdoor play can be provided for the children. Third, the children of all working mothers should be made eligible for these benefits. Fourth, we should greatly extend the training of the principals and assistants who work in these day nurseries, and should pay such salaries as will attract women of the right type and make it possible for us to carry on day nurseries with efficient staffs. Fifth, further provision should be made for organized play centres for school children after school hours, to keep them off the streets. Further, the government should accept responsibility for helping to pay the cost of feeding school children, and the children of all working mothers should be eligible for meals.

I look forward to the time when day nurseries and creches shall become a regular part of our educational system in Canada, under dominion control. I believe that is a necessary part of our social structure. I have listened to many of the post-war plans now being discussed. But I think I am something of a pragmatist; I like to know how things will work. To me a bird in hand is much better than two in the bush. Right now I am not so much concerned about post-war plans as about something which can be done immediately to remedy the situation which exists in our great cities, so as to provide really adequate accommodation by way of free school nurseries and creches, school meals and after-school play and recreation. I would urge the minister to go much further than he has gone, so that this scheme might be made possible.

Mr. MITCHELL: May I first of all thank the hon. member for the tribute she has paid to Mrs. Eaton, the director of this particular phase of the activities of my department. I am not going to argue with my hon. friend as to where a woman should be—whether she should be in the home or in industry, at the conclusion of the war. I have fixed ideas on the point, but anything I would say would be only an expression of opinion, and would not be of interest to the committee.

But if I may be excused for making a personal reference, I was one of a family of nine children. My father died when I was ten years old, and I believe I know something of what a mother is up against when she has to work and, at the same time, maintain her children. In Canada this idea has to be sold to the women of this country. Our people are a little wary about giving their children to what some might consider institutional care. I came from an industrial city, and I believe I could say that was the feeling there. About twenty years ago I played some part in the establishment of widows' pensions in Ontario. I was quite active in the movement that brought that improvement about, one which I believe was adopted by the Ferguson government, if I remember well.

Mr. MacNICOL: And so was I.

Mr. MITCHELL: I think the hon. member will find that this idea has to be sold to the working women of Canada. I believe the great majority of mothers, particularly in Montreal, would rather have their children looked after either by friends or relations. Whether that is right or wrong is not for me or any other person to decide. It is a decision which must be made by each mother.

At least we can be given this credit, that while this is purely a provincial matter, the subject of child care was instituted by the federal government in cooperation with the provinces. This is the first time in the history of Canada that anything of this nature has been set up. There has been some criticism in connection with our using churches. I believe we obtained the best possible person for the establishment of this scheme in Toronto. I refer to Miss Millichamp, a member of the Institute of Child Welfare in Toronto. Not long ago she was invited by the British government to go to England and advise them on their problem over there. She came back with the definite opinion that in Great Britain they had to take the same steps as we have taken here. We must get the best we can, in the present circumstances.

I believe if my hon. friend went to Toronto and saw the places in question first-hand she

would not be so ready to criticize. Before they were selected they were approved both by provincial and local committees. On each committee were representatives of the various organizations I mentioned this afternoon.

Something has been said about cost. It is not anticipated at the present time, on the basis of cost as at present calculated, that the mother will pay more than a third of the total cost of the undertaking. With respect to the suggestion that fifty per cent of the mothers were turned down, I would ask the hon. member to give me the details, so that I may make an investigation.

Mention was made of Montreal. In that city we have I believe one of the most eminent men in this work charged with the duty of supervising and assisting in the planning of these nurseries. I refer to Doctor Lalonde, who is not only a medical doctor but is also a specialist in this type of welfare work. I do not believe that in these initial stages we can be accused of not at least trying to lay a good foundation for this form of governmental activity.

In respect of education along this line, may I point out that I have visited other countries where this type of service has been in operation. I well remember being in Russia a few years ago. What I have to say is not said in any spirit of criticism. From some of the pictures I had seen before going there I thought only a few of the children of the working classes would be found outside of institutional care in the day time. There can be no doubt of the vast range of occupations in which Russian women engage. Their work is somewhat different and covers a greater range than that in which women on the north American continent engage. We may call the state of women on this continent one of emancipation, if we wish, but I am afraid that the vocations in which some Russian women are engaged would startle some of our Canadian women, and also those in the United States. It was clear over there that they were moving, perhaps in a small way at first, toward care of the children of women engaged in industry. I thought children in Russia would be dressed somewhat in the same fashion as those in North America are dressed in the summer months. I noticed however that many of the peasant women—and I do not say this disrespectfully—had their children clothed just the same as they had been clothed many years before.

I think the hon. member has not been altogether fair in her criticism in the steps we are taking to establish at least some degree of responsibility on the part of the state in connection with women employed in industry, or women who find it necessary to get others to care for their children during hours of employment.

Mr. CHURCH: Mr. Chairman, I had not intended taking part in this discussion, but as chairman of a local board of health, and as one who brought Doctor Hastings into a modern health department in Toronto, I must say that this policy of handing money to the provinces is a bad one. That seems to be a very popular procedure in connection with many matters which have been brought before the house in war-time. There seems to be a general tendency to give everything to the provinces. You, Mr. Chairman, come from a district in which a famous physician in child welfare has practised. I refer to the late Doctor Dafoe, whose younger brother was only recently promoted to the head of the obstetrics and diseases of women branch of the university of Toronto. I should hope the Minister of Pensions and National Health, who is in his seat, might see that some national recognition is given to the late Doctor Dafoe for what he has done for the people of Canada and the medical world, and particularly the mothers and children.

This problem is rural, suburban and urban. Why should we adopt something like this and turn the money over to the provinces to administer? We are being asked to vote only $120,000 as payments to the provinces in connection with organizing and operating day nurseries and like facilities. But that is only $120,000 out of $21,000,000, and the result will be that some places will get help and others will not—rural, suburban and urban. This money should be turned over to the municipalities instead of to the provinces.

I should like to refer to what has been done in Toronto and Hamilton. The minister will be more conversant with the latter district, but in both these centres the school boards and boards of health have done a considerable amount of work along these lines. At considerable cost to the city the boards of education and of health have established nurseries and have staffed them with the proper nurses and doctors. This has proved a blessing to the community.

If this were to be started over again, I would not go to the universities for assistance. I would investigate what has been done in the matter of day nurseries in Toronto since 1907. This work was started then and it has spread across the country. I brought this matter to the attention of the house in 1940 when I quoted the British *Hansard*. Reference was made there to the midland counties where they were transporting people from one

industry to another, a distance of about thirty miles, about the same as that from Toronto to Hamilton. This is where the industrial revolution occurred nearly a hundred years ago. The money was given to the districts concerned in order that they might be able to organize and operate these nurseries near war plants.

The city of Toronto has provided buses because there has been such an overcrowding of the street cars that they cannot transport the civilian population. In addition, some of the cars ordered by the transportation commission have been sent to other cities. Toronto needs some help from the federal government, and instead of voting only $120,000 we should be voting much more. This work has not been looked after as it should be. I do not wish to delay the minister any further with his estimates because I have taken up very little time except to fill in when some of the hon. members were out at the country club the other night.

What is going to be done after the war when these large industries are closed up? I asked the Minister of Munitions and Supply about that the other day. We are going to have a serious situation when the war is ended. These workers will have the same trouble as the workers had after the last war. Many of them have not got settled up with the government even though twenty years have passed. If we are going to adopt this policy we will have to enlarge the scope of the activities. There is bound to be duplication in this work. I had a return brought down in the house the other day which showed that the Department of National War Services had made grants to seven organizations during the last year of the war totalling $6,000,000.

In some cities the school boards are doing this work, and in others the boards of health attend to these matters. This work should be decentralized and handed over to the municipalities. Some industrial plants are carrying on this work now. I have seen a few of them, and I repeat that this grant should be much larger. While you have been doing good work as far as I see it, I think it would be far better if you worked through the boards of health or school boards of the municipalities.

I have been talking to some health officers about this. In 1940 and 1941 some of them wrote to me and I sent them copies of the debates in the British House of Commons on this nurseries question. Near the new general hospital on University avenue a number of trailers are used to house some soldier families. There are hundreds of mothers who are out working and in some cases their children are roaming the streets. We all know what that means in delinquency. This is going to be a serious problem before this war is over, and it certainly will be serious after the war. It is one of the most important problems with which this parliament has to deal.

I do hope the Minister of Pensions and National Health will hearken to what I said about the Dafoe family. You should consult doctors like that and the different health departments and the different nurseries; a conference should be held to coordinate, save duplication and waste, and discover what should be done about day nurseries. That would be better than just handing over the money to the provinces. I have seen something of the administration of some of these things by the provinces. Some places get help and some do not get any; instead of their being equality of treatment, there is no equality of treatment. There is bound to be duplication of the work. This is confirmed by some of the health department officials I have spoken to. I hope the minister will remedy this, if not immediately at least during the recess.

Mr. NOSEWORTHY: Mr. Chairman, I was surprised to learn, from a return which was brought down on May 20, of the comparatively few children who are in day nurseries across the country. Despite what the minister has said, this matter of day nurseries is not a new one. As the hon. member for Broadview (Mr. Church) has said, there have been day nurseries in Toronto for many years. The minister attempted to explain the small number of children in the day nurseries by saying that the mothers of Canada have not been educated to placing their children in such institutions. I want to say to the minister that if he and his department in this fourth year of war have not been able to sell the idea of sending children to day nurseries except to the mothers of one thousand children, then they are not very good salesmen. I suggest to the minister that instead of trying to defend his department, as he did this afternoon, he give serious consideration to the suggestions offered by the hon. member for North Battleford (Mrs. Nielsen). From what I know of suburban Toronto I am convinced that if an adequate system of day nurseries was set up you could find more than one thousand children of war workers in the riding of York South alone who would be placed in such nurseries. If the minister's survey shows that only a few mothers are willing to entrust their children to these schools, then I submit he should find out what is wrong with the system. From my knowledge of those who

have been in charge of day nursery work in Toronto for many years I suggest that the fault could not possibly lie with the personnel or the staff employed. It is true that England requested the services of a group of workers or teachers who have been engaged in this work in Canada, in order to assist in the instruction in England of personnel for this work. We are not a particularly backward country as far as the personnel of day nursery schools go. I understand a comprehensive report was made to the minister or to his predecessor more than two years ago with regard to the establishment of day nursery schools. I am quite satisfied that if the direction of the personnel in charge of day nursery schools in Toronto were accepted in full there would be many more than 1,000 children in these schools across Canada.

I am interested in this item because it provides $120,000 for "day nurseries and like facilities". I should like to know what the "like facilities" are and what portion of that $120,000 is set aside for these "like facilities". I assume that at least one of these facilities will be provision of recreation for war workers. A conference was held in Ottawa nearly three months ago and a very successful conference held in Toronto a few days later. Would the minister give us a statement as to just what progress has been made in the matter of this recreation for war workers? I feel that it is vitally important in view of the enormous amount of juvenile delinquency in this country. Only a few days ago I went into a city in western Ontario and found the newspaper editor there, the mayor of the city, much perturbed about the amount of child delinquency. A conference of those interested in the problem was being held on the evening of my visit. I should like the minister to inform us, while he is making that statement, what money will be available for this recreational work, particularly in Toronto, the city with which I am most associated; and second, what provision is being made to secure trained personnel for this work. I understand that in England and other parts of Great Britain this is deemed so important in its contribution to the building of the morale of the civilian population that trained men have been recalled from the armed forces to take charge of this work. If they can do that in England, I think our government should be prepared to see that trained men and women are made available in Canada for this work, even though postponements have to be granted for that special purpose. I should like the minister to take those two points into consideration in reporting on recreation for war workers.

[Mr. Nosewerthy.]

Mr. MITCHELL: In reply to the questions put forward by the hon. member, let me say first that I am not one of those who think the state should do everything. I wish that to be clearly understood, whatever may be the opinion of other hon. members. I believe that it is all to the good to have recreation organized on a voluntary basis, in some cases probably with some direction from the state. In many industries and some municipalities that is being done. In my own city of Hamilton we pride ourselves—I say this with some diffidence—on having probably the best playgrounds organization in Canada.

Mr. MARTIN: You should see Windsor.

Mr. MITCHELL: My hon. friend says, "You should see Windsor". There passes through my mind the work which is being done in my hon. friend's own city, and in Vancouver, Winnipeg, and elsewhere. Some communities have expanded tremendously since the outbreak of war. I do not think it is the duty of the federal government to undertake the direction of all recreational activities in Canada; that would be going a pretty long way. But in my judgment some communities are in urgent need of some direction, and I have them in mind at the present time, though I shall not enumerate them at the present time because I might get into trouble.

My hon. friend spoke of the conference. That conference was held, I think, a few weeks ago.

Mr. BLACKMORE: April 9.

Mr. MITCHELL: I have a vivid recollection of the conference, although I did not attend it. There was a thorough discussion of the entire question, and conversations are now going on between Ontario and Quebec with respect to the matter and looking forward to the possible signing of an agreement between these two provinces. An initial sum amounting to $40,000 has been voted by order in council. I say that that is an initial sum. I do not know what the total cost will be before we are through with it.

I wish to be perfectly frank with my hon. friend, so, I must tell him that if he thinks we are going to employ an army of directors across this country in connection with this plan he is likely to be disappointed. We shall endeavour in the terms of this agreement to give some direction to recreation. I know many trade unions are deeply interested in the subject of recreation. My own trade union used to have its own recreational activities. But the hon. member can rest assured that when the agreements are consummated they

will be tabled. If they are not, and my hon. friend will give me a reminder, I will send him a copy if the house should not be in session.

Mr. BLACKMORE: May I tell the minister that I do not find myself in agreement with the hon. member for Broadview (Mr. Church) with respect to turning the money over to the provinces. I think that for the minister to turn the money over to the provinces to be administered by them is the right course. If the provinces cannot assume the responsibility for the dominion government with respect to the care of the children of the dominion, it is time they took a course of training; they will take that if they have the responsibility thrust upon them.

What I should like to know is, why this is a $120,000 estimate. What determines the amount which the minister is going to spend? Do the provinces apply for a certain amount? Do the municipalities apply? Do the mothers apply? Just how does the machinery work?

Mr. MITCHELL: You get the recommendation, of course, from the committees. I pointed out to my hon. friend about the local committees, and then the provincial committees, the provincial governments, and the national selective service. Then it is funnelled into my office. That may appear on the surface to be rather a slow procedure. It is not so slow as it appears to be. But I am sure my hon. friend will appreciate that first of all we have to be sure that the accommodation is the best obtainable and the conditions surrounding the nurseries are of a kind and character that would be approved by the public in general. I would rather go slowly myself and see that we did a good job thoroughly than be rushed into it hurriedly and probably receive far more criticism, and properly so, for doing it without having given due consideration to those interested organizations that I have mentioned.

With regard to the amount, $120,000, that is merely an estimate; that is all. In war time, if the need shows itself, that amount can easily be increased and matched by the provinces.

Mr. BLACKMORE: What constitutes the local committee? How is it organized, and who determines the personnel? Is it chosen by the people or selected by the minister?

Mr. MITCHELL: We get nominations or suggestions of names from organizations interested—labour organizations or it may be farm organizations; I do not know. It depends on the nature of the locality. The provincial government picks out the provincial committee. That is the way you choose people. I have endeavoured to get the best people I possibly could, people who understand and more particularly people who have some interest in whatever phase of policy it is on which I desire advice.

Mr. HARRIS (Danforth): First, may I pay a tribute to the nursery services in the eastern part of Toronto and to those public-spirited citizens who have assisted so much in the direction of the actual work and made it possible for the nursery services to have the premises in which the work can be carried on. This is not a new venture at all. To my own knowledge, for thirty years we have been giving this service to the people of Toronto. I speak for that part of the city with which I am best acquainted, and I can say that public-spirited citizens have headed the board of trustees and have seen to it that premises in which children are housed have been of a kind suitable for the purpose. I join with the hon. member for York South in paying a tribute to the personnel. My criticism is with reference to the women's voluntary services. Since the outbreak of the war they have been anxious to do something to assist in the work connected with these day nurseries; but, as the minister knows, the government in its wisdom saw fit more or less to disband this voluntary unit and to substitute a paid unit, thus dampening the enthusiasm and the ardour of these volunteers. More than that, the government has even suggested what work they might do.

I know the minister is of my own opinion, that the state should not do everything. I recognize the responsibility so far as the dominion and the provinces are concerned, and I think the provinces should be charged with the responsibility for this class of work. But for the extra day nursing facilities necessitated by the war, the responsibility is definitely on the shoulders of the dominion government. There has been no expansion to take care of that extra work occasioned by the extra number of mothers who find it necessary to participate in war industry. No direction of any consequence has been given, largely for the reason that the directors and trustees of the day nurseries were men who knew nothing of how to direct or guide war workers' children. They did not regard that as their particular job. They felt that their only job was to see to it that the assets were being used properly, that the premises were well taken care of and that the facilities were there. The personnel in the day nurseries did not feel that it was their responsibility to

give advice or to instruct women workers. They just carried on in the day nursery such work as came to their door.

There is a gap in the direction of women working in war industry. There is not proper information with regard to facilities that are available, and there is also a lack of coordination among the trustees and municipalities and the war working women. Something constructive might even at this late date emerge from this discussion, and I suggest that the minister might confer with his colleague, the Minister of National War Services, and with the women's voluntary organization under his direction to see if they cannot coordinate their efforts so that the maximum use may be made of the facilities and the personnel available.

I am amazed at the statistics. There is room for far more of this work to be done, even with the present facilities, without more capital expenditure, if there could be some coordination among the many bodies affected—the municipality, the province, the dominion, the women war workers. The women war workers themselves lack information, and the personnel are perhaps too timid even to approach those charged with authority with regard to the conduct of these institutions. There does not seem to be coordination in that particular set of circumstances. In the last few years, even since the war, the trustees of these institutions and those who took an interest in them were men who were able to provide facilities, but they seem to have faded out and to have lost interest. It has not been emphasized that they are doing a real community service in looking after this capital asset.

I make these few observations in order to help the minister generally, because I am convinced that expansion is essential at this particular time and this is a move in the right direction. But what we have done so far really amounts to a failure. I am anxious that the department should give some direction to the set-up, so that women war workers will know that their children will be well taken care of. For this purpose I think some leadership should be put into the hands of those who are carrying on the day nurseries, so that they in turn can make their institutions something which is so necessary during this time of war.

Mr. ADAMSON: As one of those members of the house who have seen the nursery schools in England in operation, I would say that this is a step, a short and halting step, but nevertheless a step in the right direction. I congratulate the hon. member for North Battleford, who has obviously made quite a study of this problem. I agree with what she has said.

[Mr. J. H. Harris.]

Under the English system new nursery schools were built not only where there was an absolute necessity for it, but in areas where there was no necessity. First of all, it was done for the bombed-out victims for whom new schools had to be found, and it was done for children of all ages. I see no reason why we could not have done the same thing instead of putting up with basements of churches and other improvised accommodation. Under the English system, just as under our proposed system, there is cooperation with the local authorities, which I think is essential.

It is essential that these services should not be considered on the basis of a free hand-out by the state. That is not so in England, except where the parents of the children have been either killed or crippled by enemy action.

The immediate effect of these nurseries in England has been a tremendous improvement in the whole standards of the children, and not only of the children but of the adult population as well. It seems extraordinary that even with the terrific bombing and the terrible devastation that was caused in 1941 and part of 1942, the health of the English people has actually improved over pre-war days. The number of cases of illness and sickness has gone down, and the nursery schools and the public nurseries have been one of the contributing factors to that improvement.

It is quite true that the nurseries in England charge sevenpence, threepence of which is paid by the state. We ask for thirty-five cents. While I do not quarrel with the sum of thirty-five cents, I think we could get a good deal more service for that sum, especially when one considers that the cost of feeding a soldier in Canada with the excellent food he now gets is thirty-eight cents a day.

It was impressed upon me in talking to a number of social workers in England that these nursery schools and supervised schools have had a great effect in improving family morale. One of the great problems with which we are faced in Canada is the demoralization of the family. It may sound paradoxical for me to advocate nursery schools and institutional care for practically all the children in the state. But I believe that it is one of the surest ways to restore the high morale of the Canadian family, which, according to most authorities, has suffered a serious decline in the past few years. It is infinitely better to have all children properly looked after and properly supervised during the working hours of the day than to allow them to play on the streets. They have discovered in England that taking the children off the streets has

strengthened tremendously the family tie. That is a surprising and important discovery. I see every reason in favour of even the mothers of small children working in time of war. The civilization of any country is in direct ratio with the emancipation of its women, and I just mention as an example of this what has happened in Turkey since Mustapha Kemal Ataturk took power. In every way he was an absolute dictator, just as much a dictator as the dictators of Germany and Italy. But he had a different idea from them about the emancipation of women. He insisted that women should take part in government and in the life of the state. He did not believe that woman's part was kirchen, kuchen, kindern, as Hitler did, and to-day we find as a consequence that Turkey is an advancing, go-ahead country that is capable of living at peace with its neighbours.

Before I conclude I would ask the minister one or two questions. There have been built up in Canada what are known as Well Baby clinics. I think they have been one of the greatest assets in the life of the community where they have been established. My first question is this: Is there any cooperation or coordination between these nurseries and Well Baby clinics? My second question is: What are the minimum and maximum age limits for children attending these nurseries? My third question is this: Has any provision been made, or is it likely to be made for the government assisting to get these children out of the city into the green spaces in the hot summer months?

Just one word in conclusion. This whole question of nurseries emphasizes strongly the absolute necessity for adequate town planning in the future of Canada.

Mr. MITCHELL: The answer to the last question is, no; to the second question, two to six years of age are the limits. The answer to the first question is, yes; there is cooperation. I used to be a member of the board of health in Hamilton, where we must have had about twenty baby clinics. I think they have them also in Toronto under the health department of the city. There are also clinics in the schools to which the mothers take their children.

Mr. ADAMSON: There is a very effective Well Baby clinic in the southern part of my riding.

Mr. MITCHELL: I was a member of the board of health in Hamilton for a number of years, and when these clinics were established we had to educate the mothers to bring their children to them. It took some time. I have been through these things; I went through the campaign in Hamilton in connection with inoculation for diphtheria, and I know something about the resistance that was shown to that innovation by a good many people in our community. It was a question of education. I can remember the time when there were many deaths from diphtheria in Hamilton, but I lived to see the day when during a whole year there was not a single death from diphtheria in that community.

Mr. ADAMSON: I agree with the minister that a very great deal of missionary work has to be done.

Mr. BLACKMORE: As I see it, there are two main aspects to the problem which confronts us. First, there is the woman who needs some assistance in connection with her children, who knows she needs that assistance and wants to provide it, but finds herself unable to do so either because she cannot afford it or because she does not know how to go about getting it. To whom should a given woman in a given community apply if she needs assistance in taking care of two children, let us say, in order that she may undertake some war work? The second main aspect is that of women who have children in need of care, but who either do not realize that their children need care or who are too indifferent to bestir themselves to see that the care is provided. By what means are the needs of such children brought to the attention of the proper authorities; through the police, or welfare workers, or what other mechanism?

Mr. MITCHELL: I am afraid I cannot answer the latter part of my hon. friend's question. I can say something about my own community, but I am not sufficiently well versed in the situation that exists in the province of Alberta or the city of Lethbridge to say what might be done there. In Hamilton there is, first, the police department, which would come in contact with extreme cases. Then there are various other agencies such as the big brother movement and other organizations which take care of delinquent girls. This scheme does not provide, at the moment, for investigations of that kind. My hon. friend's first question was how these mothers might find out about these day nurseries. Well, they do that through selective service, when they go to the employment offices. The natural thing for a mother to say would be, "I have a baby at home that will have to be looked after," or something like that, and the people in that office will give the necessary information.

Mr. BLACKMORE: What would be the cost to the mother for children of various ages? I gather that children are admitted to these nurseries between the ages of two and six. What would be the cost to a mother engaged in war work if she had two children, aged two and four, whom she wished to put in a nursery?

Mr. MITCHELL: It would be 35 cents for the first child and 15 or 20 cents for the second child.

Mr. BLACKMORE: That is for the whole day?

Mr. MITCHELL: Yes, for the whole day, with all meals. For school children it is 25 cents for the first child and 10 cents for the second. That is where they get their meals, and milk after school, and supervision.

Mr. BLACKMORE: For how many hours would they be kept in the nursery for those amounts?

Mr. MITCHELL: That is a rather difficult question to answer, for it would vary in each individual case. It would depend upon local conditions, how long the mother took to go back and forth to work and so on. They would be there for ten or twelve hours I should think.

Mr. McIVOR: I believe this vote is necessary now, but I do not think we should consider continuing these nurseries indefinitely. The care of children in this way is not new; I can remember thirty-five years ago when these clinics were established in Toronto. I would warn the Minister of Labour, however, that no one can take care of a child like that child's mother, and I hope the day may come when mothers may be provided with sufficient of this world's goods that they may be able to remain at home and take care of their children. Those who understand something of the causes of divorce realize that children are an extremely fine tie in the home, and when we delegate the care of children to a nurse, no matter how fine and Christian a woman she may be, she cannot take the place of the mother. When children have to be cared for outside the home, whatever the reason, to me it is a sign of the breakdown of the home. After all, the home is the bulwark of the nation, and I hope the Minister of Labour will keep this in mind so that, when the war is over, mothers may not be required to work in order to earn a living. It is a case of necessity, of course, in connection with war work, and I know some mothers are quite willing to go out and work so that they may not have to live in straitened circumstances. I just give this warning, and I am sure the Minister of Pensions and National Health also will keep this in mind.

Mr. MacINNIS: I should like to say a word in reply to the remarks of the hon. member for Fort William. First, I think this amount is rather small in view of the need that must exist, and I believe it should be increased. I have been associated with public affairs in one way or another for a good many years. For some twenty to twenty-five years in the city of Vancouver we have had day nurseries, though we called them creches, to look after the children of women who had to go out and work. The provision made was very inadequate, but they did fulfil a great need; and I am quite satisfied that when this war is over, unless we improve conditions much quicker than I expect them to be improved, we shall have to continue these day nurseries. Whether or not the home is the best place for the child and the mother is the best person to look after the child depends altogether upon the home and the mother. I have seen mothers who were not fit to look after their children; and until all mothers are educated to look properly after their children and then are provided with sufficient means to do so, other ways will have to be found in order that the children may be saved and that the community may be spared the expense that inevitably it will be put to unless we provide for the proper bringing up of the children while there is yet time.

Mr. REID: I should like to say a word in support of the remarks of the hon. member for Fort William. I listened to the speech of the hon. member for North Battleford, and I rather thought she was advancing an idea which was new to this country but which has been tried in other countries, namely, the idea of collectivism in the bringing up of our children. I hope the minister was not too much impressed with that idea because, after all, as the hon. member for Fort William has pointed out, the home is the bulwark of the nation. There may be homes in which children would be better cared for, but by and large our people have always depended upon the home. I want to point this out to the committee. The department may look after young children, as pointed out by the hon. member for North Battleford. This more than takes care of the very young children. But I am told that in many cities the juvenile delinquency, pertaining to children of mothers who have gone out to work, is alarming. I should hope that aspect has not been lost sight of in any scheme of this kind. I am one who hopes that this vote may not be necessary after the war, and

that we shall make conditions such that the women of the land will be able to stay in their homes. Generally speaking—and I say this without fear of successful contradiction—the home is the bulwark of the nation.

Mr. CASTLEDEN: Canada must recognize that we have here an emergency. The government is taking the responsibility of calling men to fight in the war. The fathers have been taken from their homes. Figures presented by the minister's department show that 1,152,000 women are employed in industry, and therefore we have a responsibility to take care of about 500,000 children. There must be at least that many who must now be cared for without their mothers' supervision. It is quite evident, therefore, that $120,000 is quite inadequate to cover the whole of the emergency. I hope it is the department's intention to use at least some of this sum for adult education and the training of personnel, as well as for organizational work. Would the minister give the committee an outline of the programme he has ahead of him, and whether he considers there is sufficient money in this vote to cover the programme?

Mr. MITCHELL: I have made a lengthy statement to the committee. The programme will grow with the need.

Mr. CASTLEDEN: There must be a tremendous need.

Mr. MITCHELL: I admit that. At the moment there has not been any great demand for this type of care, but it will develop according to the need. If the need increases we shall have to have more money; that is all there is to it. It is a war estimate.

Item agreed to.

Assistance to the provinces in recruiting, transporting and placing labourers upon farms, $250,000.

Mr. GRAYDON: How many workers from farms in Saskatchewan, or in other parts of western Canada, have now been brought east in connection with the arrangement the minister announced some weeks ago?

Mr. MITCHELL: The figure to-day is 367.

Mr. GRAYDON: What was the estimated amount?

Mr. MITCHELL: It was 500. We are shooting at a thousand.

Mr. ADAMSON: I wonder if this covers a case brought to my attention? In this instance high school children are being picked up at certain points in Toronto and taken out to market gardens, either in trucks owned by the market gardeners, or in their cars. This is done at their own expense. Is there anything in the item making provision for this condition? This is definitely a case of bringing workers to farms.

Mr. MITCHELL: If it is done by a farmer as a farmer, it is shared fifty-fifty between the province and the dominion.

Mr. REID: Are all the provinces participating? Have they all schemes?

Mr. MITCHELL: Every province has a scheme.

Mr. GRAYDON: Does the minister expect more from western Canada?

Mr. MITCHELL: Yes.

Mr. TUSTIN: I have had several communications lately with respect to men who wish to go to the country to help on farms, but who have found some difficulty in securing transportation. Would the minister lend some assistance to those men, either by securing a greater gasoline allowance, or in some other way? I realize this does not come under the minister's department, but any assistance given would be helpful in getting the harvesting done this year.

Mr. BLACKMORE: Does the amount going to any province depend upon the request of the province? For instance, how is the amount determined for a province like Manitoba?

Mr. MITCHELL: It is determined after discussion between provincial and federal officials. There is a sort of joint cooperative agreement. I had my officials go through the various provinces last January or February, and the basis of the agreement was negotiated at that time. The agreements of the provinces differ very little. For instance, Alberta considered that some instruction should be given to people who were going out to the farms. We made provision for that. However, I can report that there has been harmony in our relations with the provinces, and I appreciate the cooperation shown by the provinces in facing up to this problem.

Mr. BLACKMORE: May I commend the minister very highly for his attitude in this connection. If all the ministers in the cabinet will take exactly the same attitude toward the provinces, and if the Prime Minister will do the same thing, we shall have an end of trouble arising out of the British North America Act.

Mr. CASTLEDEN: I wish to draw attention to a case which I believe comes under this item. I refer to a man in my own province

who was engaged in lumbering. He states that between October 1, 1942, and April 12, 1943, he and his brother cut and shipped 300 cords of peeled pulp from their lands, and that they have twenty cords of pulp still on hand. He says that in 1942 they had cut and sawed 100,000 board feet of lumber, that they own their own sawmill, tractor and logging outfit, and that they are prepared to log and saw 200,000 board feet of lumber and to cut and ship 200 cords of pulp in the coming season.

The man in question presented his case to the selective service, pointing out that he was occupied in an essential industry. The board at Regina advised him that his application for postponement could not be granted. This is a copy of the letter received from the supervisor of farm labour requirements, Veteran block, Regina:

> I have been advised by the mobilization board that your application for postponement from military service has been granted on condition that you accept employment on another farm, where your services are essential to agriculture.
>
> In view of the fact there is no labour shortage in your immediate district, to comply with the order of the board it will be necessary for you to report to the employment office at Yorkton, where you will be supplied with a list of farm vacancies in that area.
>
> I would be glad to have advice from you as soon as possible as to the name of the farmer with whom you have accepted employment, so that I may pass the information on the mobilization board.

This is a man engaged in lumbering. I would point out to the minister in charge of selective service that in Saskatchewan there is a shortage of lumber for the making of bins. Already in western Canada nearly a billion bushels of grain is being stored. The wheat board will not be able to take more than about 280,000,000 bushels of wheat, and there is a great shortage of lumber. This man will be compelled to leave his lumbering business, travel about 130 miles and take a job on a farm. It seems to me the officials in charge ought to realize that lumbering is an essential industry, that there is a great shortage of it in Saskatchewan, and that if we are to take care of any kind of a crop in the west this year, that lumber will be needed. The moving of a man in this fashion is, to say the least, short-sighted.

Since men are being moved to act as labourers on farms, has any definition been given or any standard set from which one may estimate a man's necessity on a farm? How does the department describe a key man in the farming industry? Is there any acreage basis, or any basis of production requirements upon which the department estimates whether or not a man is a key man? That would vary with the different districts and with the different types of production throughout the dominion. In my own province it requires at least one able-bodied man to carry on the production from one hundred acres, particularly if there is anything in the way of milking cows or raising hogs. Have any standards of production been set in order to measure whether a man is essential in agriculture?

Mr. MITCHELL: I think my hon. friend will agree that it would be difficult to establish a yardstick. One farm may be different from the one next door. The real yardstick that we are using is common sense and reason. There are agricultural experts who are advising the different boards, and we also have reports from the various municipal committees scattered around the province of my hon. friend. I wish my hon. friend would give me the particulars of the case he mentions, because it would seem to be establishing a precedent.

Mr. CASTLEDEN: They have established a point production system in the United States, and if a man comes up to a certain standard the recommendation is made accordingly. Much of the inequalities which have arisen in selective service with regard to agriculture is caused by the fact that on one farm there will be three or four men left with an able-bodied father, while on another farm the last son is taken when the father may not be in the best of health to carry on the work.

Mr. MITCHELL: My United States friends come in to see me. Sometimes I think I have a lot of grief on my doorstep, but from what they tell me they seem to have a great deal more.

Mr. CASTLEDEN: Standards help.

Mr. ROSS (Souris): Is there not some basis established as a direction for all the mobilization boards? I am told that in one province not far from here a man and a son will be left on a twenty-five acre farm, whereas in my province or in the other prairie provinces there might be only one man for a section of land. Is there any basis set up which would provide some equality in the decisions by the mobilization boards across Canada?

Mr. MITCHELL: I will answer my hon. friend's question, but I think it should be understood that we discussed this matter for two days. The last speaker and the one before him are really out of order. Giving my own personal opinion, I do not think it is possible to do it on that basis. I would rather rely on the common sense of my Manitoba or Saskatchewan friends. I do not know whether

I have said this before in the House of Commons, but there are some people who believe that if they make a thing so complicated that they cannot understand it themselves, other people should be able to make it work.

Mr. GRAYDON: Is that the job you are working on?

Mr. MITCHELL: With all due respects to some of the people who have resigned from selective service, I would rather have good common sense such as we are using at the moment.

Mr. ROSS (Souris): I think the boards in Manitoba are doing their job reasonably well, but there are inequalities in the way in which this thing is handled in other parts of Canada.

Item agreed to.

Wartime bureau of technical personnel, $220,500.

Mr. GRAYDON: Could the minister explain the work of this bureau?

Mr. MITCHELL: I think I pointed it out quite clearly in the exposition I gave when these estimates were first introduced. The war-time Bureau of technical personnel is to all intents and purposes a selective service for the professions. It was established prior to selective service itself. At that time I was the secretary of the labour coordination committee or the man-power committee of the government, and it was decided to try a modified form of selective service on the professional classes after representations had been made by various engineering societies. I think this is as efficient an organization along selective service lines that we have in the Department of Labour. It has rendered distinguished service to industry and the army.

Mr. GRAYDON: The minister thinks it is a little better than the others?

Mr. MITCHELL: It has been in operation longer.

Mr. ADAMSON: To what extent has this bureau been used? I happen to be a member of two professional societies, and some time ago considerable criticism was offered about the limited use which had been made of this bureau.

Mr. MITCHELL: I believe the total registration is 30,000, and the number of placements last year—I speak from memory—was between 1,500 and 2,000.

Mr. ADAMSON: Fifteen hundred out of 30,000?

Mr. MITCHELL: Yes.

Mr. STIRLING: That is last year.

Mr. ADAMSON: Has the minister any idea of the total placements?

Mr. MITCHELL: I am talking about last year only.

Item agreed to.

Mr. GRAYDON: Does this finish the Department of Labour, including sundry services?

The CHAIRMAN: I believe it was understood that the three items would be taken together.

Sundry services, $86,022.

Mr. HARRIS (Danforth): This item of sundry services would seem to offer me an opportunity to make a few general observations with regard to a rather critical condition which exists at the present time in the larger cities. We all admit that there is a shortage of man-power for special work which is sometimes needed to be done by the transportation systems and those engaged in providing storage facilities. For example, a cargo of sugar may land in Toronto and there is no help to unload the ship, which is held up. National selective service may not have a priority rating for sugar. These priorities are confidential and no one seems to know just what they are. The local organizations do the best they can, but quite often they do not have very much success.

I can cite another case. Eighteen cars of wool were landed in Toronto on June 4, and some of them are still on the track under demurrage. Wool is a war necessity, and some direction should be given to national selective service so that they can deal with emergencies of this kind and avoid the tie-up of railroad facilities and boxcars. Thirty cars of coca beans were sent to a manufacturer whose resultant product is sent to the troops, but they found themselves unable to move this commodity.

The fault lies in not having taken hold of this problem at the outset. As I said some two years ago in this chamber, there should be some way of knowing where a man of a certain vocation is in this country, so that he can be located to do the work for which he is best fitted. For instance, here is a firm in Toronto manufacturing glycerine. They lose a man and there is no way of knowing where he is. By accident he is found to be working in a factory making pop. Is it more essential that we should be manufacturing glycerine or manufacturing pop? The man who manufactures the glycerine had no means of knowing where the man was.

Another case I could refer to was that where forty men who had been previously employed in what might be termed an essential industry were found to be working at the ball park peddling peanuts during the summer months. Some hon. members smile at that, but the fact is that during the winter months these men were working in an essential war industry, and peddling peanuts should not have priority over a war industry.

Some machinery is needed to keep track of where these men go. We should be able to trace them and bring them back into essential industry. It would help considerably if their former employer knew where they could be found or that they could be traced. But at present they cannot be traced. At the present time when a worker in essential war industry leaves his employment he does not have to say where he is going. The employer does not know exactly where these men are going. He generally finds out that they are going to some work somewhere where they will get a few cents more an hour. The next step is that the employer appeals to the regional war labour board for permission to increase the rate of pay. Very often this entails a long delay. I have in mind a case where it took from January until May before the employer got an answer. In the meanwhile twenty men out of the hundred had found themselves other employment, and when the regional war labour board made the allowance which was decided upon these men could not be found, because there is no system whereby the national selective service organization can trace these men through. I do not say that you should compulsorily take them and haul them back into the industry they have left, but you might talk to them and point out that war industry needs them rather than some industry which is a non-essential industry, and if you are in a position to pay the wages they want they would probably come back to their previous job. I make these few observations in the hope that they will be to some extent constructive.

Mr. GRAYDON: One thing before this item passes. I propounded a number of questions to the Minister of Labour, but I am quite prepared to allow the item to pass upon the understanding that after eight o'clock the minister will answer me in full.

Mr. MITCHELL: I believe there is only one question the hon. member wanted; it was a list of the people who had resigned?

Mr. GRAYDON: I wanted a list of people who resigned; also a question came up in connection with enforcement of the regulations of national selective service. I wanted to know what prosecutions had taken place and the steps which had been taken to undertake them. I believe that in my original address on this particular debate I raised a question as to the extent of the records kept by the local offices of national selective service.

Mr. MITCHELL: I should like to get away this evening. I have had a pretty tough time. May I do as was done by the Minister of National Defence for Air? I will get all the questions and give the answers to-morrow, if that is acceptable to my hon. friend.

Mr. GRAYDON: I have no objection to that. I do not want to have these questions stand over indefinitely, but if the minister desires to give this information to-morrow I shall have no objection. If, however, when he makes his answers, any supplementary information may be called for, I do not want to be debarred from making some observations.

Mr. HAZEN: Has the minister a bureau of public relations or a publicity department in his department?

Mr. MITCHELL: I do not know what the hon. member means by a "publicity department". There has always been an information bureau in the Department of Labour.

Mr. HAZEN: Will the minister let us know when it was established; what it has cost to date; how many people it employs; how many receive salaries of over $5,000, over $4,000, over $3,000, and over $2,000?

Mr. MARTIN: It is all covered by the general estimates.

Mr. GREEN: The hon. member is entitled to get that information.

Mr. MARTIN: Well, we will give it to him.

Mr. HAZEN: May that information be placed on record?

Mr. MITCHELL: Absolutely. But why not put a question on the order paper?

Mr. HAZEN: Well, if we do that we will get an order for return.

Mr. MITCHELL: I will promise my hon. friend that I will answer him immediately, if he would rather have it that way.

Item agreed to.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

DEPARTMENT OF FINANCE

Wartime prices and trade board—administration, $14,300,000.

Hon. J. L. ILSLEY (Minister of Finance): Mr. Chairman, I should like to say a few words about this item.

Mr. STIRLING: Is the minister going to give a schedule of the items which he will deal with, as the other ministers have done?

Mr. ILSLEY: I can do that readily. I have nothing printed for distribution, but in *Hansard* of March 3, at page 922, there appears a break-down of the finance items. They are very short. I have been out of the house so much that I was not aware of the practice, of which I am now advised, that ministers have been having items mimeographed and circulated.

Mr. STIRLING: Since the minister proposes to follow that schedule, that will do to work on.

Mr. ILSLEY: That is what I propose to do.

Mr. HANSON (York-Sunbury): Could we have it by to-morrow afternoon?

Mr. ILSLEY: Yes. There are only four items in the wartime prices and trade board estimates: administration, $14,300,000; commodity prices stabilization corporation, subsidies due to application of order placing a ceiling over all prices, $120,000,000; Wartime Salvage, Limited, administration and losses, $1,000,000; and Canadian wool board, administration, $500,000. Virtually there are only four parts to any discussion that will take place: first, the administration of the board itself; second, the commodity prices stabilization corporation; third, Wartime Salvage, Limited; and fourth, the Canadian wool board, administration. Those are the only items. In addition to those items, there are other finance items: comptroller of the treasury, $7,950,000, and sundries, $102,000. What I think the committee would like to have would be a comparable statement for the fiscal year 1942-43. I believe other ministers have put similar statements on *Hansard* and, if it would be more convenient for me to have prepared a mimeographed statement showing these items and circulating them among the members to-morrow afternoon, I will do that. The items are so few, however, and the division so simple that I do not think anyone would be hampered much to-night in discussing the matter.

Mr. HANSON (York-Sunbury): We shall have to do the best we can to-night, but may I suggest that with respect to the second and third items, the wartime prices and trade board, $14,300,000, and the commodity prices stabilization corporation, $120,000,000, we ought to have a substantial amount of detail as to the proposed expenditures, with a comparable statement for last year. With respect to the commodity prices stabilization item, we ought to have the amounts for the various commodities; and may I venture to ask for the amounts paid to various organizations. I suppose that latter point raises a question of some difficulty for the minister. I understood the minister refused to give that information some time ago. Perhaps my memory is defective, but I believe he refused to name the firms in relation to these subsidies. Is that correct?

Mr. ILSLEY: Yes. The position I took in that speech in the spring of 1942—April—was that I did not think I could give currently the subsidies that were being paid to particular firms or individuals or companies, but that later these would be given in the form of a report, and as a matter of fact they have been given for the fiscal year which ended March 31, 1942, in the report which has been tabled in the house. The question came up again more recently, earlier in this session, and by that time the number of recipients of subsidies had become so great that it would be nearly impossible physically to give the names of all of those. It certainly could not be done without months and months of work and at very great expense, so that I left open the question as to what should be done about giving the names of recipients of subsidies for the fiscal year that has just closed. I want to make a general statement on the wartime prices and trade board first, and if the hon. member does not mind he can return to this question.

Mr. HANSON (York-Sunbury): Could we not settle the principle on which we are to get the break-down so that we can understand it before the minister goes on with his general statement? I hold the view that with respect to expenditures already made in the past fiscal year the country is entitled to know who got the money, just as in the case of any other government expenditure, and I do not think it will do for the minister to say that it involves months and months of work. In the

administration, if they are a business organization, as I assume they are, they must keep up from day to day a correct statement of the whole position, ready to be reviewed by the minister at any time, and that document, if kept in a businesslike way, brought up to date from day to day, from week to week or from month to month, ought to be readily available to the ministers. Otherwise I do not know how he will keep an organization of that kind in operation if he does not know where the money is going, to whom it is going, and on what account it is going. He must have that information submitted to him frequently, because this item is likely to run into a very large sum of money.

In the course of his observations I wish the minister would make some reference to the position of Canada with regard to this policy vis-a-vis the action of the United States congress in refusing to grant any further subsidies, and what effect it may have on the price ceiling in Canada; because I can see that, if that policy is carried out there, there is trouble looming up to maintain the price ceiling, and a grave difficulty in maintaining it in Canada. Already we are having tremendous difficulties in connection with certain commodities in my own province. I need only mention the difficulty that has arisen with respect to pulpwood, where, in my part of the country and in Canada generally, there is a ceiling, whereas across the line there is not. This government has undertaken to deliver, whether the Canadian mills get the farmers' wood or not, a certain allotment or quota which has been promised. I am not quarrelling with the promise made by the Minister of Munitions and Supply to the United States mills; but what I would point out in passing is that these mills in Canada, which have been depending in a degree upon pulpwood cut from settlers' lots, are just out of luck. I am sorry the Minister of Transport is not here to-night, because he knows of the difficulties that are being experienced in the northwestern part of New Brunswick in connection with this very matter, where a huge mill in his constituency is likely to be shut down as a result of the position to which I have referred, namely, a ceiling in New Brunswick of $12.25, or whatever it may be, while across an imaginary line closely related to this country by railroads and short freight hauls there is no ceiling at all. The difference, I am told, may run to as much as $6 a cord, and that undertaking on the part of the administration, that very large quota from New Brunswick, amounting to at least 550,000 cords to be delivered to the Maine mills during the current season, at a time when there is a great scarcity of labour and when it is almost impossible to fill the camps to procure rough wood, is a matter that must be considered. It is something that has been brought about, I would say, through no fault of the policy of the government, but by the situation which has developed side by side in the two nations. You cannot get pulpwood for the Canadian mills from the farmers or those who make a business of cutting on their own freehold limits and, in some instances, crown timber limits. You cannot expect them to sell to Canadian mills when they can sell their pulpwood across the line at an advance of $6 a cord, plus ten per cent premium on $18 a cord. Perhaps the $18 a cord includes the ten per cent premium, but the figures are an approximation at any rate, and they illustrate beyond peradventure the position which I am trying to envisage for the minister. Those are the conditions which are developing in Canada and which are making it extremely difficult for our own industries to operate, and extremely difficult to satisfy our people.

I should like to make this further observation. While I have never quarrelled with the objective of the policy of price ceilings, because I realize the minister's objective is good—I have been tempted at times to criticize it; yet my common sense told me the objective was good—I tried to visualize from the very beginning the difficulties that would accrue to our own producers. They are the people who will suffer under this situation. It is not human nature to expect the pulpwood producers in New Brunswick, outside of the big timber limit owners themselves who own a mill and find it difficult to get labour, to sell to Canadian mills if they can export under the present set-up, and they are obliged to export because they have a priority on that class of wood.

I do not know what the minister is going to do about the situation, but I want to tell him that it is likely that one big mill in New Brunswick will close down. I know the management are trying to grapple with the situation. One suggestion was made that this company, which produces, we will say, sixty million feet board measure of spruce and fir lumber, should take that lumber and put it into the pulp mill. But the British government is crying for lumber, and if you take sixty million feet of sound lumber out of the market you create an intolerable situation in the lumber industry in eastern Canada. There is the position, and I would ask the minister to give some consideration to it and to consult with his colleague before he makes any reply on that point. But we ought to deal with it somehow or another and know what is proposed to be done to meet that situation.

Coming back to my original request, I think the people of this country have a right to know where the millions went which were voted last year and were expended before March 31 last, and to whom they went. This year we have $120,000,000 proposed to be expended in this budget, and I venture to suggest that if the policy is continued to its logical conclusion that sum will reach $200,000,000 this year.

I should like to make this suggestion to the minister. The price stabilization policy in respect of certain commodities has been too inflexible, and some consideration ought to be given to the increased cost of production and the increased cost of labour. Deny it if you will, but there have been increases in every item of cost of some of these commodities. I am not speaking of imported commodities at all. There could be a levelling up of the ceiling in certain given instances so that we would avoid, if possible, this policy of subsidization of our own production and thus equalize to a degree at least the increased cost of production. The minister will say at once, of course that that is inflation, and theoretically he would be right. But what is $200,000,000 spent on subsidizing Canadian production? Is that not inflation?

Mr. BLACKMORE: What is inflation?

Mr. HANSON (York-Sunbury): Please pardon me; I am not going to get into an academic discussion of inflation to-night. I know what it means to myself.

Mr. BLACKMORE: Let us hear it.

Mr. HANSON (York-Sunbury): I refuse to be tempted. I certainly am not going to get into an altercation with the hon. member for Lethbridge on inflation, because I have an idea that he would win. I do not know anything about the theories of economics; I just think I have a little common sense. I am not saying that he has not, but I know that if it comes to a battle on textbook theories and information I do not stand the ghost of a show.

I am trying to get across to the minister in a very inadequate way what has developed from the government's policy in respect of one commodity only, and I am limiting my remarks to that at the moment. I have discussed this matter privately with the Minister of Munitions and Supply, who made the commitment for all Canada. I know the trade itself is struggling with the situation. I do not know what solution, if any, has been reached, because I have not been apprised. But I know there is very grave danger of the situation which I have tried to envisage for the minister becoming more and more acute, with the result that Canadian labour will be thrown out of employment, because mills will have to lay off men for a time at least. That is a very real danger. I am not raising this question for any political purpose at all. I want the minister to understand the viewpoint of those who are attempting to give some consideration to the producers of this country. This whole policy of price stabilization is in the interests of the consumer and in the interests of the government's policy against inflation, but I suggest to the minister and his advisers that no consideration, or very little, has been given to the producers of this country under this policy. That is the position. I wanted to limit my remarks to this pulpwood situation, and I hope the minister will be able to say something that will alleviate the anxiety of those who have to face and deal with this situation.

Mr. ILSLEY: Before I come to any particular matters I should like to make a general statement.

The chief items in the war appropriation estimates for the Department of Finance relate to the wartime prices and trade board and its associated crown companies, the Commodity Prices Stabilization Corporation Limited, Wartime Salvage Limited and the Canadian Wool Board Limited. Hon. members have already been furnished with a copy of the report of the board and its associated companies for the period ending March 31, 1943, and I do not think it is necessary for me to repeat what is in that report by giving at this time a further detailed review of the activities of these organizations. I may say that one of the chief reasons for having the report prepared was to facilitate discussion in the committee by providing members with a much more complete account of the administration of price control and related matters than could possibly be given in a verbal statement. The few remarks I intend to make will, therefore, have to do with the general results achieved rather than with particular aspects of administration.

Nineteen months ago, in December, 1941, the overall price ceiling was established. As the Prime Minister said in his announcement of policy, the overall price ceiling represented an experiment "hitherto untried by the will and consent of any free people anywhere." Many said it could not succeed; and I am free to admit that even in the government there was no one who could be entirely confident that a general price ceiling was the right answer. But we did recognize the terrible consequences that inflation would have

for the Canadian economy both during and after the war and we were determined to prevent it, if at all possible.

As the months pass and the war affects more and more intimately the economic life of the nation, it becomes increasingly apparent that the right decision was made at the right time. If there had been compromise, if there had been delay, if the problem had been attacked in piecemeal fashion rather than by a bold stroke, we in Canada would to-day be faced with an extremely confused and well-nigh uncontrollable situation. In saying this, I am not drawing any parallels with events outside Canada. The best evidence as to what would have happened is to be found here in Canada. We have only to observe the eagerness with which scarce goods are purchased when they appear on the store shelves; we have only to follow the action of prices of the few commodities which for various reasons it was necessary to take out from under the ceiling; we have only to watch the scramble for housing accommodation in congested areas; we have only to experience the difficulties of securing transportation by rail or bus, to realize how quickly prices and rents would have soared if at the time when shortages began to be felt we had not taken steps to control virtually all prices at levels then prevailing.

Our action in introducing a ceiling when we did has been a tremendous advantage in the fight against inflation. Reinforced by a rigorous programme of taxation and borrowing, we have had a large measure of success. I would not want to create the impression, however, that the government is over-confident as to the future. A crucial and difficult testing time lies ahead. Nevertheless, the experience gained and the very fact that the price level has been held until now will stand us in good stead whatever difficulties may be encountered.

The primary purpose of the controls established in December, 1941, was to stabilize the cost of living. It is the outstanding achievement of the wartime prices and trade board, as the agency responsible for the administration of the price ceiling, that this purpose has been accomplished. It cannot be claimed that there has been no increase whatever since the base period in the prices of every one of the thousands of individual items purchased by Canadians in their day to day living. This is an ideal towards which the board is constantly striving, but for various technical reasons it has not been possible to maintain a rigid ceiling everywhere. A full account of the exemptions and adjustments that have had to be made will be found in the report of the board. Nevertheless, after nineteen months the price ceiling holds in the main, and partly as the result of reductions in the price of certain common foodstuffs as an offset to increases in other items, the average cost of living of the average Canadian has been stabilized. This fact is reflected in the movement of the official cost-of-living index prepared by the dominion bureau of statistics, which from November 1, 1941, to May 1, 1943, rose by only 1·5 per cent.

When it is considered that in the United States the cost of living during approximately the same period rose by 12 per cent according to their official index, and that during the corresponding period of the last war the Canadian cost-of-living index rose by 22·5 per cent, I think the accomplishments of price control in Canada speak for themselves. While I would not want to suggest that conditions in these other countries are fully comparable with Canadian conditions, it may interest the house to know that in Australia the cost of living from December, 1941, to March, 1943, rose by about ten per cent; in South Africa from December, 1941, to February, 1943, by more than ten per cent; and in Mexico from December, 1941, to April, 1943, by nearly thirty per cent. I would have liked to give figures for some other countries where the rise in cost of living has been even greater, but owing to war conditions, up-to-date and accurate statistics are not always available.

As a measure of the effectiveness of the price ceiling, I thought the committee might be interested in the results of certain calculations which have been prepared indicating how much it might have cost the Canadian consumer if prices had not been under control. In the first twenty-seven months of this war, prior to the establishment of the ceiling in December, 1941, the official cost-of-living index rose fifteen per cent as compared with an increase of sixteen per cent during the corresponding period a generation earlier. This similarity of price movements in the two wars stopped abruptly, however, after the establishment of the ceiling. During the eighteen months following November, 1916, the cost of living rose 22·5 per cent, in striking contrast to an advance of only 1·5 per cent in the first eighteen months under the ceiling. Prices in the last war continued to rise rapidly, with only minor interruptions, to July, 1920, when the cost of living was 198 per cent of what it had been in July, 1914.

Now it has been calculated that for each increase of one point in the cost-of-living index, the consuming public pays out something like an additional $34 million per year.

On this basis, therefore, had prices been allowed to rise in 1942 as in 1917, the public might have paid out an additional $350 million during 1942.

Should prices remain stabilized through 1943, instead of continuing upward as they did through 1918, an additional saving of $850 million might accrue to consumers this year.

There are, of course, enormous indirect benefits from the ceiling, including savings to the government. These are difficult to measure, but I am satisfied that without effective price control, government expenditures would be much higher than they are now and it would be practically impossible to finance them on a sound basis.

It is true that the earnings and incomes of some persons increase during a period of inflation—enabling them to obtain a larger proportion of the limited supply of goods and services available for consumption. But it is equally true that the incomes of other persons do not rise proportionately to the increase in prices, and as living costs rise they are forced to do without more and more. I think it is fair to say, therefore, that the vast sums saved by the consuming public and by the government by reason of the price ceiling are a significant measure of the dislocation which has been avoided.

Control of prices is only one side of the work of the wartime prices and trade board. Equally important is the responsibility of the board for supply and distribution of civilian goods. Quite naturally, public attention is focused on the more obvious aspects of the board's work in these fields such as consumer rationing. A great deal of constructive work goes on, however, of which the public is hardly aware, and I would direct the attention of hon. members in particular to those sections of the report of the board that deal with the programmes of rationalization and simplification and with distribution, allocation and rationing. It is not just by chance that the housewife is able to continue shopping as usual in her neighbourhood store or that the corner grocery shop is able to get a fair share of supplies in competition with the powerful chain or departmental stores. These are the results of careful methods of distribution and allocation, arranged by the board in cooperation with the trade.

Before leaving this subject, may I say a few words regarding the general civilian supply situation.

Mr. HANSON (York-Sunbury): Before the minister leaves this matter dealing with the retail stores, do I understand him to say that the retail store, the small retailer, vis-a-vis the big departmental stores, is getting a fair share of consumer goods for sale?

Mr. ILSLEY: Yes.

Mr. HANSON (York-Sunbury): Well, I do not believe it. I will tell the minister frankly that is not the evidence I get. That is a statement made by the wartime prices and trade board, and I should like to have it supported with evidence.

Mr. ILSLEY: The hon. member has made a fairly broad statement, too. Perhaps he should support it with evidence.

Mr. HANSON (York-Sunbury): I have made it my business to find out.

Mr. ILSLEY: Before leaving this subject may I say a few words regarding the general supply situation?

So preoccupied have we become by the problems of distributing scarce goods that there is a tendency, I am afraid, to overlook the fact that levels of consumption in Canada have so far been well maintained on the average, and that the consumption of many common items is actually considerably larger than in pre-war years. The record of retail sales reveals that the volume of civilian consumption, generally speaking, rose steadily from the outbreak of war until the latter part of 1942. Towards the end of 1942 the rate of buying tended to fall off, indicating that the expansion is over and contraction has begun, but I think it may fairly be said that consumption levels in general still compare favourably with the period before the outbreak of war or the early months of war.

The fact that consumption standards have been fairly well maintained to date is remarkable considering the enormous contributions Canada has made to the cause of the united nations in the form of men, munitions, raw materials and foods. True, some of this consumption has been possible because inventories have been depleted to some extent and will not be replaced until after the war, but credit for maintaining our average living standards can be given in large part to the magnificent way in which the people of this country, on the farms and in the factories, the forests and the mines have organized their productive efforts.

There has, of course, been an important enlargement and a desirable redistribution of consumer purchasing power, those whose previous standards of living were relatively low gaining at the expense of those whose previous standards of living were relatively high. This accounts for many of the difficulties that consumers are experiencing in obtaining supplies.

In many cases quantities available to civilian consumers have been well maintained or even increased, but the added demands are so great that there appears to be a very short supply. A good instance of this is jams, jellies and marmalades. Before the war the production of these items was in the neighbourhood of 45 million pounds. By 1942 the output had risen to over 70 million pounds. Of this total some 15 million pounds were used by the armed forces and other priority users, but there still remained a considerably larger quantity for civilians. Yet hon. members, or at least their wives, know that jams, jellies and marmalades are very difficult to obtain in retail stores. Another example is evaporated milk. In 1939 Canada retained 95 million pounds. In 1942 the quantity of evaporated milk retained for use in Canada was 144 million pounds, of which 127 million pounds was set aside for civilian consumption, yet the board has had numerous complaints that the supply is quite inadequate.

To maintain the price ceiling policy has involved certain costs, but I think it can be said that these have been much less than anticipated and certainly well justified by the results achieved. Perhaps the committee will recall the fears expressed at the outset that business could not continue to operate under such a policy. It is true, of course, that many sacrifices and inconveniences have been imposed on business; a programme that cuts across ordinary methods of price determination was certain to have this effect. But in the result these gloomy forecasts have not been borne out. The number of commercial bankruptcies in 1942 according to Dun's "Statistical Review" was 609, while in 1941, the year prior to the imposition of the price ceiling, the number was 882. Some businesses, for example, many dependent on the automobile industries, have had to discontinue operations, but most of these difficulties are not due to price control. They are the inescapable result of changing the country's economy over to the fulfilment of the war programme.

The committee may also recall the predictions that to maintain an effective price ceiling it would be necessary to employ an army of officials at a cost to the country out of all proportion to the value received. The staff of the wartime prices and trade board has, of course, expanded substantially since the price ceiling was introduced, from 154 on November 30, 1941, to 5,251 on March 31, 1943, and the cost of administration from $1,436,988 for the fiscal year ended March 31, 1942, to $9,277,480 for the fiscal year ended March 31, 1943. These figures, nevertheless, are by no means great in relation to the task in hand, which involves the regulation of virtually the entire civilian sector of the Canadian economy.

The major item of costs is, of course, subsidies and trading losses paid by the Commodity Prices Stabilization Corporation, which actually amounted to $68 million from the inception of the ceiling to March 31, 1943, and which are in the estimates as $120 million for the present fiscal year. The reasons for subsidies and the basis on which they are paid by the Commodities Prices Stabilization Corporation have been fully explained to the house on several previous occasions, and a complete account of the payments made will be found in the report of the board. With these records available, I do not think it is necessary for me to make any extended remarks at this time, except to say that payment of subsidies and the bulk purchase operations of the Commodity Prices Stabilization Corporation have played an integral and vital part in ensuring a supply of essential goods and services and of protecting the standards of living of those receiving low or moderate incomes. British experience as well as our own has convinced me that price control can only be effectively maintained by the judicious and timely use of subsidies.

The CHAIRMAN: Shall the item carry?

Mr. HANSON (York-Sunbury): No. I would ask the minister to give a break-down of the expenses of administration, and salaries paid.

Mr. ILSLEY: The item is $14,300,000, and the breakdown is as follows:

Salaries	$ 9,200,000
Travelling expenses	920,000
Printing and stationery	1,400,000
Telephones	260,000
Telegrams	100,000
Legal and audit	100,000
Advertising	800,000
Sundries	640,000
Postage	250,000
Freight and express	30,000
Local ration boards	600,000
	$14,300,000

Mr. GRAYDON: What would be the expenses of the local ration boards? I understand that a great bulk of the work done by these local boards is on a voluntary basis.

Mr. ILSLEY: That is correct. Generally speaking, the work is done voluntarily, but there are 550 ration districts with 550 local ration boards. There are permanent secretaries.

Mr. GRAYDON: Are those paid on any regular basis?

Mr. ILSLEY: The secretaries are usually paid by the municipalities which we reimburse. Then there are postage and other expenses.

Mr. HANSON (York-Sunbury): Secretarial help, stenographers?

Mr. ILSLEY: Yes.

Mr. GRAYDON: Does that mean that a municipality can pay what it likes and the government will reimburse it?

Mr. ILSLEY: Some municipalities pay the whole thing themselves, and others have come to the board for assistance which is given when required.

Mr. QUELCH: When does the minister want the general discussion to take place, on this item or when the others are called?

Mr. ILSLEY: The general discussion on the activities of the wartime prices and trade board would take place under this item which covers administration.

Mr. QUELCH: I mean on the whole policy.

Mr. HANSON (York-Sunbury): Could we have a break-down of the salaries item, which is quite large? I think we ought to know how many men are receiving $12,000; how many men or women are receiving $10,000, and how many men and women there are in the various categories. I should like to know what these ladies are doing who are travelling round the country putting on musical shows and revues. There was one in my city this week headed by a Mrs. Aiken, I think it is. I should like to know what she gets and what good she does. What is the object of putting on this free entertainment? I just mention her as an illustration; I do not know anything about her. Who recommends this class of propaganda, because that is all it is? What is the value of it?

Mr. ILSLEY: I am informed that Mrs. Aiken is engaged in—

Mr. HANSON (York-Sunbury): I do not want to know about her particularly; I just quoted her as an illustration.

Mr. ILSLEY: She is engaged in what is called conservation work, a campaign to get people to save.

Mr. HANSON (York-Sunbury): Is that in this vote?

Mr. ILSLEY: Yes; her salary would be paid out of the salaries vote. It is an educational campaign to encourage the making over of old clothes and that sort of thing instead of spending money for new ones.

Mr. MacNICOL: What salary is she receiving?

Mr. ILSLEY: I would have to get that; I have not that before me. I do not know just exactly what the hon. gentleman means by a break-down. There are over 5,200 employees.

Mr. HANSON (York-Sunbury): I understand that a return is to be brought down. We ought to have had this return before this item was up.

Mr. ABBOTT: There was one brought down before.

Mr. HANSON (York-Sunbury): It was held up by the minister once. I understand that the information was all ready to be brought down and that the minister held it up. Then it was passed as an order for return yesterday without any objection. If that return is full and complete, I am told that it will show great inequalities in salaries, as well as a large number of very high salaries.

Mr. ILSLEY: No.

Mr. HANSON (York-Sunbury): It will show some very high salaries and will show inequalities in salaries; that is the information I have.

Mr. ABBOTT: Just to get this salary matter cleared up, there was a return brought down about a month ago which gave all salaries of over $5,000. This return will show the salaries between $3,000 and $5,000.

Mr. HANSON (York-Sunbury): How many are there of $5,000 and over?

Mr. ABBOTT: If my hon. friend would look at the return; I cannot remember from memory.

Mr. HANSON (York-Sunbury): You should have it in front of you.

Mr. ABBOTT: I do not think you have even seen it.

Mr. HANSON (York-Sunbury): The officials in front of the minister must have that information.

Mr. ABBOTT: That return has been in for a month or five weeks; it has been available to the house.

Mr. HANSON (York-Sunbury): That is one of the objections to these questions being passed as orders for returns. They are usually buried and most people never see them. The answers should be given in *Hansard* where we

can all see them and read them. It is not open to 245 members of this house to send down to the proper office to get the return.

Mr. ABBOTT: If my memory serves me correctly, the complete return was published in both the morning and evening editions of the press.

Mr. HANSON (York-Sunbury): That is not good enough; that is not official.

Mr. ABBOTT: You do not read the press.

Mr. HANSON (York-Sunbury): We do read the press, but that is not official.

Mr. MacNICOL: That is not an answer anyway.

Mr. HANSON (York-Sunbury): I think we ought to have it on *Hansard*. That is why I am interested in those making $5,000 and over. How many are there from $3,000 to $5,000?

Mr. GRAYDON: This return referred to by the hon. member for York-Sunbury calls for a list of salaries from $3,000 to $5,000 paid by the wartime prices and trade board. Some debate occurred yesterday or the day before in connection with this matter. Has the minister the information called for by the question which was passed as an order for return?

Mr. ABBOTT: If my hon. friend does not mind, perhaps I can answer this, because I am familiar with the facts. I was not here on Monday when the question came up. When it first appeared on the order paper I took the matter up with the wartime prices and trade board. The question covered more than the names of the persons receiving $3,000 and up, it asked for allowances and travelling expenses. The first difficulty was in connection with travelling expenses. The board does not keep the travelling expenses separate for each individual employee. For instance, if an investigator goes to Renfrew and spends $3.25, he puts in a voucher and it is charged to the regular travelling expense account. It will mean a tremendous amount of work to segregate these travelling expenses and allocate them to each individual employee. Speaking from memory, I believe there are several hundred employees.

Mr. GRAYDON: Surely this does not mean that the board has no record of the individual travelling expenses of its employees?

Mr. ABBOTT: Oh, yes; that is the practice in every large organization. You do not open a special account for each employee to show what his travelling expenses are. You have the general account in which you charge travelling expenses, and you indicate to whom the travelling expenses are paid. That is the practice which is followed in the wartime prices and trade board, and the information is there showing the amount of expenses paid each individual employee. But it will mean going through the general account and segregating the amounts paid to each individual. As I say, in the group $3,000 to $5,000 there are several hundred employees.

Mr. MacNICOL: That travel around?

Mr. ABBOTT: I am just speaking from memory. Perhaps I had better get the accurate figure. It is at least 200.

Mr. MacNICOL: That travel around here and there?

Mr. ABBOTT: I do not know that. There are several hundred employees in the category $3,000 to $5,000. Some may have to travel and some not. That varies according to their duty. That is the second point.

The third point in connection with that particular question was that the information with respect to $5,000 and up had been given in the return I mentioned a short time ago. Accordingly I went to the hon. member for Lake Centre (Mr. Diefenbaker), who had asked the question, and pointed out to him the amount of work which would be involved in giving the individual travelling expenses of all these employees. I also pointed out that the information had already been given in the return with respect to those with salaries of $5,000 and up, and I indicated that among the two or three hundred in between $3,000 and $5,000 there were a number of inequalities; that is to say, one man might be getting $100 or $200 more than another man doing perhaps the same sort of work. The reason for that was that the staff was got together in a relatively short time; a good many of these employees were lent to the board by private firms; and in these instances they would be paid their salaries by the private employers, and the private employers reimbursed by the board. I pointed out to the hon. member for Lake Centre that the board felt that the publication of this complete list with names would create a difficult internal situation amongst these employees—

Mr. MacNICOL: So it would.

Mr. ABBOTT: —and that the board would be faced with a number of demands, not for decreases but for increases. I put that up to him. I said, "If you insist on this information being filed and the full list given, of course you will get it, but I am pointing out to you the reasons. Let me know what you think." I think I suggested to him that I would give

him, and I did give him, a list of the employees receiving from $3,000 to $5,000. I sent that to him. He said he would think the matter over. He did nothing about it for a week or ten days. I asked him again what he wished to do, and he said, "Well, I don't know; I didn't realize that perhaps the publication of the whole list might create these difficulties to which you refer. What do you suggest?" "Well," I said, "I don't know that I have anything to suggest. Perhaps you might reframe your question and ask for any particular group of salaries, or, if you are interested in any particular individual salaries you have the list before you." That was the position in which the matter stood when the question came up last Monday, and the hon. member for York-Sunbury (Mr. Hanson) asked why it had been standing so long.

Those are the facts. I asked yesterday that it be made an order for return, because, in the first place, the list of names will be lengthy, and in the second place, it will take some little time now to get out these travelling expenses to which I refer.

Mr. HANSON (York-Sunbury): So far as the travelling expenses are concerned, in view of the statement made by the parliamentary assistant to the minister, knowing as I do the practice in big commercial houses, I would be perfectly willing to waive that part of the information, namely, the individual travelling expenses of individuals. I should like to know, though, if these people travel by aeroplane or if they are instructed to keep their travelling expenses down to the minimum. Great care ought to be exercised in that respect. I understood that some of them did travel by plane.

I should like to point out a case of what I consider to be useless travelling. A friend of mine operates a general store about half way between Saint John and Moncton. One day an inspector arrived by taxi from Moncton, forty-five miles away, to investigate an alleged overcharge of one cent above the price ceiling of a can of a commodity. Some person had made a complaint. The books were opened up and shown to the inspector, and it was made evident that after freight and all other expenses were paid on this commodity the retailer had a net profit of one cent, which was one cent above the ceiling. This showed that the ceiling had not been raised to cover the increased cost. The inspector went away and nothing was ever again heard of the matter. But that inspection about a one-cent overcharge—I think there were half a dozen tins involved—must have cost this country in salary and travelling expenses $50. I will give the minister the name of the merchant.

Mr. ILSLEY: The amount involved would not be the consideration.

Mr. HANSON (York-Sunbury): No; but it shows how money is wasted. I admit regard must be had to a principle. The minister will say that a principle would be involved there. There is a principle, but to vindicate a principle often costs a man his life. A man had the right of way—you know that rhyme—but he was dead, just the same, through vindicating his position and taking the right of way. The same principle applies here. A little common sense must be exercised. There was not an office between Saint John and Moncton. The complaint came in. Instead of writing the merchant, who was a reputable merchant, and asking for the facts, they sent an inspector by taxi. Why he came by taxi I do not know, but that is the fact. That is the sort of thing that people question. An incident like that is told all over the country and brings the practice of the office into disrepute.

I am quite willing to waive the demand for individual travelling expenses, on account of the difficulty mentioned by the minister. I think we ought to have the names of those with salaries of $3,000 and over.

Then I have the curiosity to know how many lawyers are in the employ of the war-time prices and trade board and how much they are getting out of it.

Mr. MacNICOL: They will not get much, surely!

Mr. HANSON (York-Sunbury): They do. The board has an army of young lawyers, a good many of whom ought to be in uniform. How are they selected? Are they selected by the civil service commission, or is the civil service commission a rubber stamp as far as the employment of these young lawyers is concerned? There is an avenue there for investigation on the part of hon. members. I do not want to be the chief critic of this set-up, but I know a very large amount of money is spent, and I am not sure that we are getting a dollar's value for every dollar that is spent; in fact, I feel quite satisfied that we are not. I wonder if we are getting a dollar's value for every five dollars that are spent? I should like to have an expression of opinion by hon. members who know about the operations of this board.

I will give the committee another example of the ineptitude of this board. In New

Brunswick the strawberry crop will soon be on. Our strawberries are the latest in any part of eastern Canada to come on the market. In the south half of the county of York, the county of Sunbury and the county of Queens, the big strawberry producing country, the surplus goes to the Montreal market, and they feed it in gradually so as not to disturb the price and so as to keep it, of course, as high as possible to the producer. In the upper part of the county of York and the county of Victoria and Carleton the practice has been for buyers from the adjacent state of Maine, where they do not raise many strawberries but specialize in one crop, namely potatoes, to bring quart baskets over and then take them across the line. Strawberries always command a good price in that market. It is a ready local market immediately adjacent to that part of New Brunswick. An order was put out by the board, I understand, that none of these strawberries were to be exported without a permit. I understand there are about 250,000 quarts of a surplus besides what is used for local consumption and home canning, and when inquiries were made as to what was to be done with these strawberries, the officials of the board replied that the strawberries were to be sent to Montreal for processing, in a market that was already supplied, so far as fresh strawberries are concerned, from the areas I have indicated. To do this would have broken that market.

I have taken the precaution, as others have done, to make representations, and I am hopeful that the decision will not be adhered to because, instead of getting twelve cents f.o.b. Montreal for these berries, the growers will get twenty cents in Woodstock, New Brunswick, for fresh berries, and they will not have to supply crates, as they would have to do if they shipped the berries to Montreal. The crates are never returned to them. Buyers across the line supply the crates, and all the growers have to do is to cultivate and pick the berries and put them into small boxes and then into the crates and away they go, and the growers get their money at an advance of eight cents over anything they could otherwise hope to get. That is an illustration of the ineptitude of this board. There is no question of keeping the ceiling down, because the first berries that came into the market at Saint John sold at fifty cents a quart. I hope the position will be retrieved before it is too late, but that is the situation as it was this morning.

Mr. MacNICOL: Just a word in reference to what the parliamentary assistant to the minister has said about salaries. I find myself in agreement with a portion of his remarks in reference to giving out information about the salaries of men or women lent by companies to the government. It would be most "infra dig" to give any salaries paid to anyone lent by a company to the government, without the consent of the company. I remember how important this was regarded in the case of the list of salaries paid to employees in big companies, which were known only to one or two or three of the personnel, and I recall very well that it was almost impossible to find out what any of the officials of a company received by asking, because the heads of the company would not reveal that information, and rightly so. Before the government gives out the salaries of any of the men lent by companies, the companies should be asked for consent. These men are paid by the companies themselves who are latterly reimbursed by the government, and the consent of the companies ought to be obtained before the salaries are revealed.

Mr. ILSLEY: This matter of salaries in the wartime prices and trade board has given me a good deal of difficulty. The salaries are reasonable; I am satisfied of that. The salaries of those getting less than $5,000 have been practically all fixed by the civil service commission. The salaries of those getting more than $5,000 have been fixed by the governor in council and sometimes, though not always, on the recommendation of the civil service commission. But they are not very high salaries. The highest salaries paid are, I believe, considerably less than $10,000. It is well known that the board, in many instances, is paying men exactly what the companies paid them. They borrowed the men, as the hon. gentleman says, from some company and remunerate the company for the amount. They pay what the company paid the men, and for that reason the board has been most reluctant to make public these salaries.

Something has been said about salaries being out of line with one another. I do not know whether they are. It is always a matter of argument whether salaries are out of line with one another. But it must be remembered that this organization was got together under circumstances of terrific pressure and was built up from 150 to 5,000 in a year or two. It is harder and harder to get men. In most cases the men have been paid what the companies paid them, while in other cases they have not been so paid, having severed their connection and being taken on, on a different basis. It causes a tremendous

amount of trouble—I say this frankly—to have the scale of salaries published, but I do not think we can avoid publication if it is pressed for by hon. members. We did make a return of salaries over $5,000, and now we are being pressed to go down the range below $5,000 and publish those. It is a matter of great curiosity to people who are working for a private company, but people could not get that information at all if they wanted it from a private company. But the moment the information is given out, this terrific pressure starts from men who say, "I do not think I am fairly treated, because So-and-so is getting $400 or $300 more than I am," and presently the board is in hot water. It may be said that this is public money and that the public is entitled to the information, no matter how much trouble it causes or how much it costs the taxpayers. All I can say is that the committee is entitled to the information but that it would do more harm than good.

Mr. GRAYDON: This discussion is going on while the hon. member who asked the question is absent on very important public business, and so far as I am personally concerned I feel like reserving any remarks I may have to make until he returns to-morrow. In the meantime, perhaps the discussion need not take the turn it has at this particular time. Personally I am not sufficiently familiar with the hon. member's views on the subject, because he has given a great deal of study and consideration to it, and he is one member on our side who has an excellent judgment in matters of this kind. I should like to have the matter left over in the meantime.

Mr. HANSON (York-Sunbury): Could the item stand?

Mr. ILSLEY: I do not expect that we shall get through the item to-night.

Mr. HANSON (York-Sunbury): I have now received the original of the return, 127Q, brought down on Friday, May 14. I think the public ought to understand that no member of the board gets any salary at all. This huge sum of money is outside the board altogether, and only two of the members of the board, so far as I can observe, have drawn anything for travelling expenses. The reason for that is that the members of the board themselves are, every one of them, in the public service already, and are being paid by other departments. That is correct, is it not? For instance, the chairman is an official of the Bank of Canada, and Mr. Sim is commissioner of customs. Mr. MacGregor occupies a position in some other department, finance, I believe. The travelling expenses of the board itself are very meagre, in most cases none. This report goes on to indicate that there are forty-three officials with salaries of $5,000 or over; eighty-three with salaries of $4,001 up to $5,000; 174 with salaries of $3,001 up to $4,000; 683 with salaries of $2,001 up to $3,000; 3,723 receiving $2,000 and under. The total for salaries, honoraria and living allowances is $6,714,000, and travelling expenses in excess of ten per cent of the total for salaries and so forth. Of course, travelling expenses is a big item. Whether we should press for the names in the face of the minister's statement is something I should like to consider, but if the minister takes extreme exception to giving them for the reasons he has alleged I do not want to ask for the names just out of curiosity, because that is all it is, just to know what is being done. If it is not in the public interest to give them, this is one time I will be in agreement with the minister in the use of that phrase. I am not going to press it myself, but since the hon. member for Lake Centre has studied this whole situation, perhaps this might stand over until to-morrow.

I would ask the minister to tell us about the number of legal gentlemen he has on his payroll, how they are selected, and how they are paid. Are they paid a per diem allowance? Are they on the payroll six days a week or thirty-one days a month? What salaries do they get? There is certainly a raft of young lawyers being paid by this board and going round the country. I am informed, too, that in addition to all these young lawyers permanently upon the payroll, counsel are employed in various communities; I know a leading counsel in my city is employed to prosecute cases from time to time. Some explanation is due.

Mr. ILSLEY: All the solicitors with the exception of two have been appointed by the civil service commission. Their rates of salary have been set by the commission.

Mr. HANSON (York-Sunbury): On whose recommendation?

Mr. ILSLEY: I do not know about that.

Mr. HANSON (York-Sunbury): What do these young lawyers get—$3,000 a year?

Mr. ILSLEY: There was a return brought down a year ago setting out all their salaries. I think it would be something like that. The amount varies.

Mr. HANSON (York-Sunbury): So much for a king's counsel, and so on?

Mr. GRAYDON: They might get less.

Mr. ILSLEY: I think the money spent on enforcement is well spent. If a substantial sum had not been spent on enforcement, I do not think the price ceiling would have been respected, and at the present time it is fairly generally respected. There are many ways of evading it. From December 1, 1941, to May 31, 1943, there have been 3,335 prosecutions, and ninety-four per cent have resulted in convictions.

Mr. HANSON (York-Sunbury): Most of the cases are, I suppose, not contested?

Mr. ILSLEY: I suppose a great many are not; I do not know about that. I was talking to a United States gentleman the other day about the price ceiling in Canada. He had come into contact with some business men here, and his experience with them was that when easy and obvious ways of evasion of the price ceiling were open, such as by changing the number of a certain grade of goods, these Canadian business men said, "We do not dare do that."

Mr. HANSON (York-Sunbury): Most people want to observe the law.

Mr. ILSLEY: Yes, and the ones that do not have a fairly wholesome respect, generally speaking, for the price control regulations, and that has been brought about by the faithfulness of the enforcement. That is the reason.

Mr. HANSON (York-Sunbury): Through fear of prosecution?

Mr. ILSLEY: Among a certain type of Canadians.

Mr. HANSON (York-Sunbury): One further question about these young lawyers. There are a great many young lawyers on the payroll of the board who work in connection with the local offices, but is it not true that when it comes to a prosecution a requisition is made to Ottawa and the Department of Justice appoints an agent to prosecute?

Mr. ILSLEY: That is right.

Mr. HANSON (York-Sunbury): That is a form of political patronage. What is the good of employing these young lawyers if they cannot do the job?

Mr. ILSLEY: They have a great deal of legal work to do besides appearing in court.

Mr. JOHNSTON (Bow River): In regard to these dollar-a-year men who have been lent to the board by different companies, the company paying them their salaries and the board paying them one dollar a year, what check does the Department of Finance make to see whether the whole salary or any portion of it is not deducted from the company's excess profits tax?

Mr. ILSLEY: I think it ordinarily is treated by the company as an expense of carrying on its business—not if they are reimbursed, of course.

Mr. JOHNSTON (Bow River): But what check has the Department of Finance on whether the company deducts the whole of that salary or any portion of it from its excess profits tax?

Mr. ILSLEY: They do not deduct it from the tax at all. No one would deduct it from the tax. But they would likely charge it as an expense and deduct it from their income for taxation purposes.

Mr. JOHNSTON (Bow River): That is the way it is done?

Mr. ILSLEY: I think that is the situation.

Mr. JOHNSTON (Bow River): My information is that in some cases it is deducted from the company's excess profits tax.

Mr. ILSLEY: The hon. gentleman must have misunderstood what his informant told him.

Mr. JOHNSTON (Bow River): I am just asking for information, because I quite well recall an incident that came before the public accounts committee, where Mr. Martin got a quarter of a million dollars in connection with the cancellation of a contract, and it was definitely stated on several occasions that that quarter of a million was taken from the excess profits tax.

Mr. GIBSON: That was a repayment of capital.

Mr. JOHNSTON (Bow River): The statement had been made that no portion of that had been deducted from the excess profits tax until the inspector of income tax came before the committee and said definitely that that was the situation. I bring this matter to the attention of the Minister of Finance by way of caution, because I think there should be some guard against that kind of thing. I shall not name any company, but it is well known that many companies are lending men to the board and paying them their regular salaries; if they deduct that salary as an expense from their income tax, then indirectly the government is paying the man's salary, and it might just as well do it directly as ostensibly to be paying the man only a dollar a year. The government would be really paying the man for his services if the

company were allowed to deduct that amount from that tax. It would be better for the government to pay the man his salary direct than to have this roundabout method of doing business. If the minister has not already checked up, it might be worth while doing so.

There is one other question which probably will come under this item, which I should like to ask the minister while I am on my feet. I will say that I have not investigated the matter personally, but it has been reported to me on very good authority that a large amount of sugar was shipped to Calgary and stored at one of the R.C.A.F. stations there, just a matter of a month or so ago, and that while it was stored in that place it was spoiled. I received a letter asking about this, and I replied that I did not know anything about it but that when the time came I would ask for information in regard to it. Has the minister any information on the matter?

Mr. ILSLEY: I shall make inquiries about the sugar. The hon. gentleman does not know who stored it or where it was stored?

Mr. REID: I suppose it was stored under the wartime prices and trade board in a warehouse in Calgary which is under the control of the R.C.A.F. If the minister would answer those two questions, I would appreciate it.

Mr. ILSLEY: Which two?

Mr. REID: The question in regard to salary and the other question in regard to sugar, if he has that information.

Mr. ILSLEY: I thought I had said everything that could be said in regard to the first matter. When the hon. gentleman talks about deducting these salaries from the tax he is not expressing the matter correctly; I do not think anyone would ever charge or say that. But if he says that the salary should not be allowed as a reduction from the income of the company lending the man to the government, he has an arguable point. However, if the board were confronted with the alternative of sending the man home, or not taking the man at all, or accepting his services without charge, I should think on the whole it would be in the public interest for the board to accept the loan of the man's services. Often that is done on a temporary basis, for a short time only. I can think of men who have been in the employ of the wartime prices and trade board, who were in receipt of large salaries and who kept partly in touch with their business and whose salaries I believe, though I have no personal knowledge, were regarded as expenses of the companies employing them throughout the period when they were working for the wartime prices and trade board, just as they were both before and after that period. In such cases the taxes of the companies were affected indirectly to the extent of the salaries paid, but the men were working for the government rather than for the companies, though the government was paying them nothing.

Mr. JOHNSTON (Bow River): The companies were deducting these payments as expenses?

Mr. ILSLEY: That is right.

Mr. JOHNSTON (Bow River): So that in effect the government was paying to that extent.

Mr. ILSLEY: If the man had not been here at all the government would be paying him to the same extent in the same way.

Mr. JOHNSTON (Bow River): I had particular reference to an individual who was permanently employed by the board. I do not like to mention any names, but I could send the information to the minister so that he could get the information in regard to the individual concerned.

Mr. ILSLEY: What does the hon. member think we should do in a case of that kind?

Mr. JOHNSTON (Bow River): When the government is supposed to be getting a man on loan from a company for $1, and the company, which is really paying this man's salary, deducts from its income or from the excess profits tax, I think that is entirely the wrong way to go about it.

Mr. ILSLEY: Then tell us what we should do about it.

Mr. JOHNSTON (Bow River): You should hire the man and pay him a decent, reasonable salary, though not necessarily what the company is paying him.

Mr. ILSLEY: But I do not think we could get the one of whom I am thinking. I have in mind one man whose salary was $25,000 a year. He was an excellent executive. He worked for the wartime prices and trade board for some period; it may have been six, seven or eight months, during which he gave faithful and extremely efficient service.

Mr. JOHNSTON (Bow River): He does not work full-time?

Mr. ILSLEY: He was here fairly steadily for that limited period. I am just wondering what position we should have taken about him. If we had said, "You must resign your position with the company, or at least you must not take any pay from the company and you must come here," it would have been out of the question for us to pay him $25,000.

Mr. JOHNSTON (Bow River): Does the minister not think it would have been far better to have hired that man outright? I have never seen any man so indispensable that his place could not be taken by somebody else, and I would suggest to the minister that $25,000 is an extremely good salary. If the company is lending that man to the government; if the government pays only that portion of his salary applicable to the period during which he is employed by the government, in addition to a living allowance or other expenses, then I suggest to the minister that this man is not working for a dollar a year. To suggest to the public that this man is being lent to the government by this company for a dollar a year is certainly misleading the public in that regard. I say to the minister that if we need these men we should hire them outright. Let us do it fairly and openly, and let us pay them decent salaries. I am not one of those who advocate that you should underpay anyone, either a worker or a salaried man; I think there should be justice in all cases, and I believe it would be much better to give these men decent salaries and not allow any deductions by the companies. I think that would be more satisfactory to all concerned, and everyone would know what they were getting.

Mr. REID: I think every member of the committee realizes the great task and heavy responsibility of the Minister of Finance as the responsible head of an organization such as the wartime prices and trade board, but I say in all kindness that the minister must not take it amiss if some criticisms are offered in regard to what has occurred. So far as I know, there has never before been an organization that has touched the individual lives of all citizens in Canada to the extent the wartime prices and trade board does at the present time. When the chairman of the board was in Vancouver he was challenged as being a sort of dictator, as being separate and apart from the government, but he made it quite clear to the people of British Columbia that such is not the situation. He said this was a very democratic organization; if anything went wrong, the people had their members of parliament and could complain to them, and of course their members would bring these matters to the attention of the minister.

I must say that I hardly needed that advice to bring any matters of this kind to the attention of the house. However, it has been a unique experience for a member of parliament to be called into disputes between farmers and others and the wartime prices and trade board, and to be told that members of parliament have nothing at all to do with these matters, that we are separate and apart from the government and that if there are any complaints they should be taken up with the Minister of Finance. We all realize that the Minister of Finance is not in a position to know everything about agriculture. His field is finance, and we have a Minister of Agriculture; but I am afraid we are drifting into the position of having three ministers of agriculture in the house, the Minister of Trade and Commerce, the Minister of Finance and the Minister of Agriculture. I am one of those who have said publicly both in the house and outside that it is an extremely good thing we have the present Minister of Agriculture, or, heaven knows, the farmers would not have got as square a deal under Donald Gordon as they have managed to get.

I should now like to bring one or two matters to the attention of the minister, and to offer one or two suggestions. The officials of the board whom we have met out in British Columbia by and large have treated the public very fairly. I have visited the office and had occasion to meet the personnel, and I have heard the same thing said by others who have had occasion to do business with them, but I wish to warn the minister that he had better take care that the prosecutions do not keep increasing, in case they might amount to persecution.

Greater cooperation might be obtained by the officials of the department were they to consult municipal and city authorities. I will give a case I have in mind. During the wood shortage on the Pacific coast a report was sent to the wartime prices and trade board in Vancouver that a poor widow woman in New Westminster had two cords of wood. Within an hour two men in a large car came all the way from Vancouver to New Westminster to investigate the matter. Of course anyone who knows anything at all about the wood situation knows that very often out there wood is taken directly from the water, and that one has to stack it and leave it for months before it can be used. This good lady was following the usual practice of buying what is known as green wood, and having it stacked. Of course that did not save her from being prosecuted.

Then, only last week an old age pensioner seventy-six years of age had been up against it for the need of a load of sawdust. I might explain that out there some people burn sawdust; some burn wood; others burn coal, and others burn oil, when they can get it. As I say, he was stuck for fuel, and he said to a truck driver, "I will give you a little honorarium if you will just deliver a load of sawdust to my home." The truck driver did that.

I do not know how the board got word of the case, but the result was that the poor old soul was taken to court and fined for giving an honorarium. It was claimed that he had paid a price higher than the ceiling price for sawdust.

I mention these two cases because I believe that we shall have to have a careful watch. Some men are not capable of handling authority. In case we drift along in this country until we are met with persecution, or we have a sort of gestapo running around, it would be just as well to have these things calmed down a little, and not be so keen to take some poor old soul to court, and say to him, "You are violating the price ceiling regulations, so I will make an example of you by hauling you into court."

I do not want the minister to say that this is a question of east against west, or British Columbia against the centre. But I have claimed that these inequalities cause a great deal of friction. The wartime prices and trade board touches every person, and there is a considerable amount of feeling throughout the country to the effect that people do not like regimentation.

For instance, I have in mind the time when rent control had to be put into effect. We in British Columbia were one or two years later than Ontario and Quebec in having war industries started in our province. Where do you think rent control was put into operation first? Well, it was in those very districts where war industries had not yet started. In New Westminster, Vancouver and, I believe, Victoria, rent control was put into effect in 1940, before war industries were started out there. In the boom in Ontario and Quebec which resulted from war industries in those provinces rents went up, but nothing was done by the wartime prices and trade board to control rents in the east. That is the information I got, anyway; if it is wrong I should be pleased to be corrected. However, the information given to me by those who have studied the matter is that such was the situation. Could we have an explanation of this situation?

I do not know whether I should speak of any other matters I have in mind. However, I had intended to say a word about sugar. In my opinion some statement should be made, something in greater detail than has been given thus far, in connection with sugar. There again, inequality has caused a great deal of criticism. We hear of some fruit districts receiving twelve pounds per person and other fruit districts receiving only eleven pounds, another district receiving twelve and a half pounds, and some districts receiving ten pounds. The public are not altogether to blame in connection with the sugar situation, as the history of what has occurred will indicate. First of all, last year, the public were told, through statements emanating from the board, that there would likely be plenty of sugar for next year's canning. Then, later, housewives were told to put down all the jams and jellies they could, so as to release the national output for the armed forces. Then this spring we were told there would be plenty of sugar for canning. A form was sent out asking what amounts were required. Later on, another report went out stating that probably fifteen pounds per person would be allowed in urban districts, and twenty-five pounds in rural districts. Of course, now it has been made known that the maximum is about eleven pounds. So that I say the public is not altogether to blame for making complaints. Very often regulations put out by the board lead them to believe one thing, and later on something else crops up which is not in accordance with the first piece of information given to them.

I wish to draw the minister's attention particularly to the two cases in which wood was involved. In my opinion the sugar statement should be in greater detail than has been given thus far, because the situation has caused a great deal of discontent. People in the country tell me, "there are not available the jams and jellies which are available in the cities, for the use of city people." Then again, farmers are complaining that when they have to have four or five extra help for a day or two they cannot ask their neighbours for their sugar rations, with the result that they are left short. All these matters were not thoroughly canvassed before the regulations were let out to the public.

Mr. NOSEWORTHY: According to a copy of sessional paper 106B brought down in answer to my question of June 21 I find that section 4 of wartime prices and trade board regulation is entitled, "Maximum price regulations exempt all sales to the Department of Munitions and Supply, or any agency thereof." I learned that the commissary division of that board has paid more than the established ceiling prices for such commodities as beef, poultry, lamb, cheese, split peas and potatoes. I learned also that in September, 1942, as the result of a conference between the officials of this department, and the department of agriculture and finance, a system of allocation was instituted whereby beef and pork supplies were guaranteed on a pro rata basis at ceiling prices, that since October no purchases of beef or

pork have been made at more than ceiling prices and that soon a similar arrangement will be made regarding poultry, lamb and liver.

Then I have a list of the firms from which these commodities have been purchased. Would the minister explain why—and I presume there is a reason—the Department of Munitions and Supply are exempt from ceiling prices, and whether this is the entire list of commodities, or whether they have purchased above the ceiling price a number of other commodities, for how long they have been purchasing at more than the ceiling price, and why it was possible to make agreements such as the one to which I have referred of September, 1942, but was not possible to have made it earlier. In other words, I should like to know how long the Department of Munitions and Supply have been purchasing supplies at more than ceiling prices. I wish to know also whether the Department of Munitions and Supply have been paying more than the ceiling price for rented properties; that is, have they been subject to the same regulations in connection with renting as have civilians throughout the country? I think that is a matter on which we should have some information.

Mr. ILSLEY: I may not be able to give a very complete answer to the hon. gentleman. My recollection of this runs back to the fall of 1941. I remember distinctly that the question arose as to whether purchases by the Department of Munitions and Supply would be exempt from the provisions of the maximum prices regulations. I can remember the argument there was about it. One day we thought there should be no exception; the next day we thought there should be an exception. The reason why these purchases were exempted from the maximum prices regulations was that the Department of Munitions and Supply felt it desirable to have a free hand in connection with what they were buying, so that they could get what they had to buy. They are buying very largely for the armed forces; they are buying for war purposes. Most of the time they buy at lower than ceiling prices; in a great many instances they buy by tender; in the odd case they have paid more than the ceiling price. I do not remember just what period of the price ceiling it was in; but at a time when beef was scarce, during one of our periods of beef trouble, the Department of Munitions and Supply paid more than the ceiling price for beef in order to get a supply for the army when there was a considerable shortage in the country. This made trouble, and finally the agreement which the hon. gentleman has read was arrived at in the fall of 1942. That is my recollection of the reasons for the exemption and the development of the matter since that time. They certainly have a free hand in regard to rents and everything else; they are not bound by the law, by the price ceiling. They have a paramount and overriding interest in supply, greater than that of the civilian population, in order that they may carry on the war effort. If it should become necessary to go through the ceiling in order to get what they have to have for the armed forces, they are free to do so, but they have not done it to any great extent.

Mr. GILLIS: Why should the Department of Munitions and Supply have to go through the price ceiling?

Mr. ILSLEY: Because sometimes there is a great shortage.

Mr. GILLIS: That is not a good reason for puncturing the price ceiling. Why should Canada Packers, one of the firms indicated in this return, hold up Munitions and Supply for a higher price? The answer is profitable patriotism.

Mr. ILSLEY: I do not think Canada Packers—

Mr. GILLIS: They are listed in this return. The minister stated definitely that when there was a shortage of beef in the country the packing houses took advantage of that to drive up the price and extract from the taxpayers of Canada—

Mr. ILSLEY: I certainly did not state that.

Mr. GILLIS: It is not Munitions and Supply that is paying the bill, it is the taxpayers of Canada. The minister's argument is very weak. Many times the minister has referred in the house to the seriousness of inflation, to the dangers of puncturing the price ceiling and to the necessity of having workers work at starvation levels.

Mr. ILSLEY: My hon. friend should not put words into my mouth. I did not say any of those things.

Mr. GILLIS: That is exactly what the minister said. He said that when there was a shortage of beef in Canada the Department of Munitions and Supply were obliged and were permitted to go through the price ceiling.

Mr. ILSLEY: They did once.

Mr. GILLIS: They did that in order to get necessary war supplies. That is not an argument; that is an accusation against the

packing houses. They took advantage of a shortage, perhaps created by themselves. It is a dangerous position for this government to take, to allow people who are more interested in making money than in prosecuting the war to hold up the taxpayers of Canada through the Minister of Munitions and Supply in order to get higher prices for a commodity that is short, when the shortage has perhaps been created by themselves. That is something that should be definitely prohibited. If this government places a price ceiling on any commodity, it should prevail. Munitions and Supply have a priority; every war material has a priority, and these rules and regulations should not be tossed aside at a moment's notice. This is a weakness which should be corrected.

Mr. ILSLEY: The hon. gentleman says that I said that these higher prices enabled the packers to profiteer at the expense of the government. Those are not my words at all. I do not know who got the benefit of that; it may have been the farmers who delivered the cattle.

Mr. GILLIS: I think that was the effect.

Mr. ILSLEY: There was a time when cattle were hardly being delivered at all.

Mr. PERLEY: We have heard a great deal to-night about salaries, and I should like to say something in favour of the local committees that have been set up. These committees have been set up in the rural parts of Saskatchewan and, if I understood the minister aright, he said that in some cases they are paid by the municipality in which they operate. I have received some complaints that this remuneration was not sufficient to reimburse these people for their time. Other people have given their time voluntarily, and it is of those people that I want to say a word of praise. The committees were set up to assist in the operation of the price ceiling. I am not complaining about the salaries paid to inspectors or investigators, but I should like to know how many inspectors there are to cover the rural parts of Saskatchewan. Did I understand the minister to say that in some cases the rural municipality or town is paying for the services rendered by these local committees?

Mr. ILSLEY: Not the members of the committee, but for certain of the expenses. Some municipalities, I do not know whether they are rural, pay some of the expenses of the local ration boards, and in other cases they are assisted to varied extents by the board. This does not apply to the members of the ration board who work on a voluntary basis, it applies to secretaries, clerks and so on. This vote of $600,000 would be just over $1,000 per board because there are 550 boards.

Mr. PERLEY: There is no voluntary work at all?

Mr. ILSLEY: Yes, by the members of the boards, but not by the stenographers or secretaries.

Mr. ROSS (Souris): The chairman is usually the reeve or the mayor.

Mr. ILSLEY: Yes.

Mr. PERLEY: Is that quite general in the west?

Mr. ILSLEY: Yes, that is general.

I did not reply to the hon. member for New Westminster. If I do not cover all the points which he made, he will remind me. He has brought to the attention of the committee two prosecutions under circumstances which evoke sympathy. I have not any knowledge of these prosecutions, but I will bear in mind what he has said and bring his observations to the attention of the head enforcement officer of the board.

With regard to the rental control, he suggested that control was imposed in British Columbia in January, 1940. The first order freezing rents was of October 1, 1940; it is dated September 24, 1940, but it provides that it shall become effective on and after October 1, 1940. That order applied to the following municipalities:

Nova Scotia: Dartmouth and Woodside; Halifax, Armdale, Buckingham Station, Dutch Settlement, Fairview Station, Falkland, Jollimore and Melville; New Glasgow, Trenton, Stellarton and Westville; Sydney.

Quebec: Brownsburg and Thetford Mines.

Ontario: Allandale, Barrie; Kingston and Portsmouth; Ottawa, Eastview, New Edinburgh, Overbrook, Rockcliffe, Westboro and Woodroffe; Parry Sound and Nobel; Trenton, Windsor.

Manitoba: Brandon.

British Columbia: Vancouver, Victoria and Esquimalt.

It froze the rents as of January 2, 1940. It is possible—and perhaps this is the argument of my hon. friend—that rents rose in these other places before they rose in Vancouver, Victoria and Esquimalt. I would not know about that. I do not know whether that is the situation, but I do know that the complaint about the freezing of rents is general; it is not local at all; there are just as many from Nova Scotia and, certainly, from Ontario as from any other part of Canada. The argument is not local or territorial; it is individual. It is that certain landlords were slower than others or more merciful than others or something of that kind

and did not put their rents up, and therefore they were caught by these freezing orders. This freezing order later became general. The first freezing order selected certain localities where rents were on the way up and something had to be done about them. I presume that a fair selection was made. At that time, in September, 1940, the board was much smaller and was not working under the terrific pressure under which it has worked since the price ceiling, and I would be surprised if the selection of places was not very carefully done. I believe that it was very carefully done, and after exhaustive investigation. I forget who the rentals administrator was at that time; it may have been Mr. Justice Martin, of Saskatchewan; it was for quite a long time. At any rate the board went into these matters very carefully and did not have anything like as many things to attend to as they have had since the price ceiling, which set in in 1941. I do not think there would be any basis for a claim of discrimination on regional grounds. There is certainly a basis for claims of discrimination on individual grounds; there always is under any freezing order; but you have just to decide whether you will freeze or not, and if you do not you never can control.

Mr. REID: What about canning sugar?

Mr. ILSLEY: I will leave that to my assistant.

Mr. ABBOTT: I suppose it is not necessary for me to repeat the explanation I gave last Friday with respect to the general basis on which sugar was allotted for canning purposes. But perhaps I might remind members of the committee that it was decided that the available supplies of sugar would permit the allotment of approximately 100,000,000 pounds for canning purposes this year. That was about the amount used last year. The board had three courses open to it as far as canning sugar was concerned. It could say, you will have to provide your canning sugar out of the ordinary ration. Or, second, it could decide to allot so much sugar to everybody in Canada, and incidentally that is the procedure which is followed, so far as I know, in all other countries. Or it could ask consumers to estimate their requirements, and thereby find out how many people proposed to do canning. Beforehand the estimate was made that about thirty to forty per cent of the population did home canning. In the actual result it turned out that eighty-four per cent of the population applied for canning sugar.

Mr. REID: Of course, they were asked to do so.

[Mr. Ilsley.]

Mr. ABBOTT: Oh, yes, there is no objection to that. The procedure followed in the United States, I understand, is that a flat allocation is made per consumer, to each holder of a ration book, whether he is going to do any canning or not. That, I am told, is the system followed in every other country, including Germany, where sugar is rationed. It was felt here that this third alternative, of asking the public to send in applications for canning sugar and allocating the sugar to those applicants, would provide a more equitable and better way of distributing the supply of sugar which was available for canning.

Mr. LOCKHART: Would the hon. gentleman permit an interjection? The hon. member for New Westminster referred to definite appeals having been sent out to home canners to can larger amounts, and I wish to say that the housewives collected every possible jar that was in their possession in order to try to do what they thought would help out the general situation.

Mr. ABBOTT: I think my hon. friend is perfectly right. The board did ask people to do as much home canning as possible. I may not be quite right on this, but I think, when that appeal was made, it was not certain what amount of sugar would be available and it was hoped there might be a larger amount. Incidentally it was desired to know how many people would do home canning. As I say, the estimate was that thirty to forty per cent of the population did home canning, and in the result it turned out that eighty-four per cent either did or claimed they were prepared to do home canning.

Mr. STIRLING: Does the hon. member mean eighty-four per cent of the eleven and a half millions?

Mr. ABBOTT: Precisely. About 8,000,000 people made applications for canning sugar, or at least applications were made on behalf of that number. Those applications were called for. The country was divided into 550 local ration areas; and these areas were asked, after the applications had been sent in, to tabulate them, to reduce the quantities asked for to the nearest five pounds, and in the case of applications which were higher than twenty-five pounds for a rural resident or fifteen pounds for an urban resident, to reduce the quantities applied for to those amounts. These were the instructions sent out to the local ration boards, to tabulate their applications on that basis and to advise the ration administration in Ottawa of the result; that was in

order that the ration administration here would be in a position to decide how the sugar could be located.

As a result of this request for applications, 8,763,185 persons made application for canning sugar, for a total of approximately 210,000,000 pounds, which was about twice the amount of sugar available. The problem then arose as to how that quantity would be allocated. As I said last Friday the decision taken was that it would be allocated to each local ration area, 550 in all, on the basis of 11·34 pounds for each applicant from that area, and that fixed the quota for that local ration area. The method of distributing the sugar available in each area was left to the local ration board, and the instructions given to the local board, which went out on May 7—I have before me a copy of the letter that was sent to each of the local ration boards—outlined the general manner in which the distribution should be made. I quote:

> In making your decisions as to the amount of sugar per person which will be granted to the consumers in your territory, we suggest you keep the following in mind.
>
> The foods administration is of the opinion that rural residents have a legitimate claim to more sugar per person for canning than the urban population, owing to the inaccessibility of fresh fruits and certain other supplies during the winter months. It is not possible to lay down rigid instructions, but we are acquainting you with this opinion so that in allotting your sugar you may provide sugar per person at a slightly higher rate to rural residents than to urban residents. Of course, your final distribution must not exceed the total amount of sugar granted to your board. If you feel from your knowledge of local conditions that an equal amount per person would be more acceptable you may make your arrangements on that basis.

That was the general letter of instructions to all local boards. In the result there was, of course, a variation between the amounts allowed in different local ration areas, and I think one of the greatest causes for dissatisfaction has been that in two local ration areas, one alongside the other, one applicant in area No. 1 would receive eleven pounds while her neighbour across the road in area No. 2 might receive only ten pounds.

Mr. LOCKHART: Did the hon. gentleman say that rural areas were to get more than urban?

Mr. ABBOTT: That was left to the discretion of the local ration board, but the general instructions sent to the local boards by the ration administration at Ottawa were as I have read.

Mr. SHAW: May I ask whether the board insisted on the sugar being used for canning purposes?

Mr. ABBOTT: It would be physically impossible to check every applicant to see whether the sugar was used for canning. It would be very difficult to enforce that provision.

Mr. SHAW: Last year they checked up. Of course, you do not have to check everyone, but my point is that there is a fifty per cent increase in the number of those who applied for sugar for canning purposes, and if you do not insist on its being used for canning purposes, I am afraid there will be bootlegging in sugar.

Mr. ABBOTT: I am advised that the regulations require that coupons not used for sugar for canning purposes shall be surrendered. I am not in a position to say what steps the board proposes to take to see that that regulation is complied with.

Mr. SHAW: I would urge that some type of check be made, because it is not fair if this sugar is not being used for food purposes.

Mr. ABBOTT: It would be difficult, I should think, to make any widespread check. Last year it was on an honour basis, and people were allowed to sign slips for canning sugar. There was no definite limit put on and for that reason a check-up was made, but it would be nearly impossible to make a coast to coast check under this system. The distribution has been left to the local ration boards, which are continuing in existence.

Mr. FRASER (Peterborough West): Last year was it not really householders alone who could get sugar for canning purposes? If you bought fruit last year they would give you a pound of sugar for a pound of fruit. This year the landlady in a boarding house who wants canning sugar must get all her boarders to sign the card.

Mr. ABBOTT: That is right. Perhaps I might complete what I was saying on the general system of allocating sugar, pointing out why these differences arose in different areas. The first reason why there would be a difference between one local area and another would be the percentage of persons applying for less than the general allowance varying from area to area. As I mentioned in connection with the ration district I discussed last Friday, my own district of Westmount, there were in that area a considerable number of applications for less than ten pounds, while in another area the average might be well above ten pounds, in which case there would be no amount available for higher applications, and in those areas it would probably be more suitable to make a flat allocation per

head from the available quota for the district. The other reason is the decision taken by the local ration boards.

Mr. REID: The suggestion was made that perhaps, in view of the fact that country people are at a disadvantage as compared with city residents in obtaining canned fruit, and there being a large amount of fruit likely to be on hand, sugar might be taken from the soft drink industry and used for food purposes. Another criticism was this. It was stated that the supply of sugar in the United States was very plentiful, and the question was asked why we should allow cherries to be imported during these times if there are ample supplies of sugar in the United States. Why not import sugar instead, and take some of the sugar from the soft drink industry and put it into food?

Mr. ABBOTT: I am not in a position to deal with the soft drink question, but as to sugar supplies in the United States, it is completely erroneous to say that there is a large supply of sugar there. As a matter of fact they are complaining that we are getting too much sugar. Eighty-two per cent of our supplies of sugar have to be imported, and the raw sugar has to be brought in by boat, and we are depending upon allocations of shipping from the United States for the quantity of sugar we get. They are now complaining that our situation is better than theirs and that we are getting more sugar than they are.

Mr. REID: What distribution has been made to the soft drink industry?

Mr. ABBOTT: That information was given the other day in answer to a question.

Mr. ILSLEY: There was a thirty per cent cut from the year before. You cannot cut soft drinks too much. It is down a lot this year as compared with last year, and thirty per cent is a substantial cut. The figures were given in a return to the house a few days ago.

Mr. WRIGHT: I recognize the difficulty in getting an even distribution of sugar, but there is considerable complaint, and I would bring to the attention of the government the position of people in the outlying districts who depend entirely on canning sugar for the preservation of fruit. They are in a position where they cannot get canned goods. They are probably from twenty to thirty miles from the nearest source of supply and have always depended on canning wild fruit. This small allotment of sugar will certainly mean that they will not be able to put in anything like their accustomed supply of fruit. They are not in a position to get fresh fruit during the winter months, and many of these people have large families and depend entirely on the fruit which they can. Some additional allowance should be made in such districts. You are allowing eleven pounds in each of the 500 districts and some of them will be entirely urban.

Mr. ABBOTT: Very few.

Mr. WRIGHT: Some of them will be mostly urban; others will be almost entirely rural. If it is possible, I think the government should provide an additional allotment of sugar for the rural areas, especially in northern Ontario, northern Saskatchewan and Alberta, and areas such as that, as well as parts of the maritime provinces where the people are entirely dependent in the winter on canned fruit.

Mr. ROSS (Souris): I should like to support the plea of the hon. member for an increased allotment of sugar in the parts of the country he mentioned. You will see there tons of rhubarb going to seed and waste just because the people have not enough sugar allowed them to can it. These people who normally can wild fruit and rhubarb are not able to do so this year, and I would urge the minister to have a rearrangement made of the present set-up so that the people in these outlying areas can preserve this fruit. It would help in the conservation of essential foods for the use of these people and indirectly help the whole nation. But the people who normally can this type of fruit, rhubarb, wild fruits, and so on, are not able to can any under the present set-up. I trust the minister will see that these people get a larger allotment of sugar.

Mr. NOSEWORTHY: If I may go back to meat, the return to which I have referred names only four packing companies as being paid more than the ceiling price for meat.

An hon. MEMBER: Who were they?

Mr. NOSEWORTHY: The Swift Canadian company, Canada Packers, the Pacific Meat company and Burns Company Limited. I would ask the minister if these were the only firms from which the Department of Munitions and Supply bought meat at higher than the ceiling price? This return says that wherever the ceiling price was pierced the prices board was taken into consultation, so that I presume the minister's department has that information. Did any other firms receive more than the ceiling price for meat? I do not see how these firms could secure more meat, if the higher prices was paid for that purpose, unless by reason of that fact they went out and paid

the farmer or producer a higher price in order to obtain the meat. I wonder if that was done, whether these companies passed on the higher price to the producer.

Mr. ILSLEY: What are the dates?

Mr. NOSEWORTHY: The date of this return is June 21.

Mr. ILSLEY: What are the dates of the purchases?

Mr. NOSEWORTHY: The return does not give that.

Mr. ILSLEY: It is a munitions and supply return. I would not know very much about it. The munitions and supply people are good buyers.

Mr. MacINNIS: Good payers.

Mr. ILSLEY: No; it is easy to say that, but I will support the buying authority of munitions and supply against any other organization in this country. They are hard buyers, and they have not paid any more than they have to for that meat. I am just saying that on their general record.

Mr. WRIGHT: Would the Department of Munitions and Supply not have the right to go in and acquire that meat from the packing companies without paying higher than the ceiling price if they required the meat for military purposes? It seems to me it should not be necessary for the Department of Munitions and Supply to go in on a barter basis if they require that meat for military purposes. But if the price ceiling is to be punctured, there is no limit to what the company may not insist on receiving. There should be some safeguard there.

Mr. ILSLEY: I do not think that could legally be done without the consent of the seller. That would be an expropriation, which would have to go to the exchequer court. I do not think any department of government has the power to expropriate property and compulsorily fix the price.

Mr. QUELCH: Not under the War Measures Act?

Mr. LOCKHART: If this meat question is to be disposed of in a few minutes, Mr. Chairman, I will yield the floor and wait, because I wish to speak on sugar.

Mr. SHAW: I have just one statement to make in connection with this matter of puncturing the price ceiling in purchasing meat. My understanding is that under the War Measures Act the government have the complete right to expropriate property.

Mr. ILSLEY: Right, but not to fix the price.

Mr. SHAW: The exchequer court of Canada will fix the price if the owner is not satisfied.

Mr. ILSLEY: That is right.

Mr. SHAW: Almost every week we find owners of property protesting against the price which the government has offered for property which it has expropriated. These cases go to the exchequer court. I cannot see why these meat packing plants should not be offered the prevailing price and go through the same channel if the price is not satisfactory to them, just as the city dweller has to do when a piece of property he owns is expropriated and the price offered him is not satisfactory. Like the other hon. gentlemen who have spoken, I feel that the minister has a pretty weak case, and I would urge him to strengthen it if he intends to satisfy a cross-section of this house. If the price to the packing plants is allowed to go up, the same thing should apply to commodities in general. I am not advocating that, but I cannot see what difference there is in principle between puncturing the price ceiling in one case and not in the other. This is the sort of thing that is causing dissatisfaction among our people.

Mr. ROSS (Souris): I have wondered for some time why the price ceiling did not apply to purchases by munitions and supply—all purchases, not simply meat. My understanding is that munitions and supply in making purchases for the armed forces do not have a price ceiling set-up at all. I have argued many times that the producer is not getting a square deal, but here is the middleman being allowed to puncture the price ceiling, and this can easily develop into a racket. I do not see why the Department of Munitions and Supply should not be compelled, just like the ordinary consumer is, to buy under the price ceiling. That would eliminate a great deal of the dissatisfaction in the country to-day. Surely the minister can give us a better reason than he has done so far why the price ceiling should not apply to purchases by the Department of Munitions and Supply. Without repeating many of the arguments that have been made in the past, I would simply say that the producers in the agricultural industry were placed in a very unsatisfactory position when the price ceiling was set up on the declaration of war. Now to have returns brought down showing that munitions and supply bought these products, after they were processed, at higher than ceiling prices, certainly creates a very unhealthy feeling throughout this country. I

believe the minister should give us some better reason than he has advanced so far as to why that department should not be under the price ceiling if that ceiling must prevail in regard to the civilian population.

Mr. GRAYDON: Just before the minister answers that question I should like to ask him another one, having regard to the fact that there is no price ceiling upon the articles or commodities purchased by the Department of Munitions and Supply. I wish to ask if in his experience in administering this price ceiling policy under the wartime prices and trade board he has found that the fact that there is no price ceiling on commodities purchased by the Department of Munitions and Supply has had the effect of interfering with the operation of the general price ceiling policy and, if so, to what extent. How far do the breaches of the price ceiling which have been mentioned by hon. members during the course of this debate go toward endangering the whole price ceiling policy of the government? I just wanted to have the minister's opinion on that point, because, after all, he is administering the department, and I think his reaction would be very interesting to the committee.

Mr. ILSLEY: Before I come to that let me make one point clear in regard to the return quoted by the hon. member for York South. Certain meats, while not subject to the price ceiling when purchased by the Department of Munitions and Supply, in effect are subject to that ceiling now by agreement; or I believe the agreement is that they will not pay more than ceiling prices without first consulting the wartime prices and trade board. I am instructed that it goes even farther than that, that they will not pay more than ceiling prices for these meats, though the hon. member for Souris rather seemed to be under the impression that they were now paying more than ceiling prices for meat. They are not. That matter was settled by agreement last September, as I understand the situation. Naturally the wartime prices and trade board is concerned, as one of its main lines of activity, with civilian supply. It is the government body which is trying to meet the civilian needs of Canada, to see that the civilian part of the population of Canada has available what it needs.

Mr. GRAYDON: Of course it is doing more than that; it is keeping down prices, too.

Mr. ILSLEY: It is doing two things. Its representatives in the various districts are prices and supply representatives. They have two great functions to perform. One is to see to supply and the other is to control prices; and the one cannot be done without the other. That is, prices cannot be controlled without enormous trouble, unless supply is provided. That is what this large organization is concerning itself with. It is a civilian organization; and when the military purchasing body, the body that must concern itself with supplies for the forces, comes in with its overriding and paramount powers which, as a matter of policy, it was felt it should be given, it disturbs the operations of the wartime prices and trade board, because it is likely to shorten the supply or unbalance the distribution. That may be inevitable, but for that reason it is desired to get these two bodies together, to get them to agree as far as possible. I am advised by the officials that very recently the Department of Munitions and Supply have agreed that they will not buy anything at all above the ceiling prices without first consulting the wartime prices and trade board and giving that board an opportunity to get for them what they require, or of directing them to it and arranging in some way that they may get it.

Mr. GRAYDON: That is really a reversal of your previous policy, under which you left the ceiling open as far as munitions and supply were concerned.

Mr. ILSLEY: No, it is not. The maximum prices regulations did not tie down the Department of Munitions and Supply, nor was it thought they could be tied down, because of the overriding importance of the function they perform.

Mr. GRAYDON: But now you are doing the same thing by agreement.

Mr. ILSLEY: It is provided that they shall not pay more than ceiling prices for anything without consultation with the wartime prices and trade board. That is only for civilian type goods.

Mr. ROSS (Souris): That applies to all foodstuffs purchased by munitions and supply for the armed forces?

Mr. ILSLEY: In regard to meat it is agreed that they will not pay more than ceiling prices anyway, but on the whole range of civilian type goods it is agreed—this is a working arrangement between two agencies of the government—that they shall not pay more than ceiling prices without consultation with the wartime prices and trade board.

Mr. GRAYDON: What happens after consultation? What chance has the wartime prices and trade board to do anything about the matter?

Mr. ILSLEY: The wartime prices and trade board controls, to a degree not understood by the population of Canada, the sources of supply. It controls all the imports of a great range of commodities. It has ramifications everywhere, trying to see to it that the civilian population of this country gets enough of the goods it requires. The board carries on that work in every direction, in regard to imports and everything else. It concerns itself day and night with the question of supply. In the first place, it does not want to ration if that can be avoided. Theoretically, rationing is the most equitable way of distributing goods, but you see what we get into when we start to ration. Here is this question of sugar for canning, about which my colleague has been talking to-night. If I were to ask hon. members now to say what we should do other than what we did, I do not believe anyone could tell me.

Mr. GRAYDON: I can tell you something you should do; now that you are asking for it I shall give you a suggestion. If you are going to do this again do not go advertising all over the country as you did in February, telling the housewives of Canada that on account of the situation existing in regard to canned goods, as a result of which there was likely to be a great shortage, they should go ahead and can their own preserves. There was no limitation suggested in the advertisement, which I brought to the attention of the minister. The housewives all over Canada took the government at their word and made arrangements to do up a tremendous amount of stuff, for the reasons advanced in the advertisement. One reason given was the shortage of tin and other materials which were so necessary for war purposes. I think the minister knows the housewives of Canada have responded nobly to almost every suggestion put forth by the government. I do not know any class of people in Canada who have been so quick to respond to suggestions and requests by the government as have the housewives. On one occasion I went so far as to say that this looked to me, as it must have looked to many people, almost like a deliberate hoax upon the housewives, the way in which the sugar rationing was carried on. After the advertisements appeared in the newspapers; after all plans had been made, then they found that limitations were placed upon the amount of sugar available. In some rural areas the allotment was twenty-five pounds per person for canning purposes; in some urban areas it was fifteen pounds per person. The worst feature of it, however, was this; and I am going to offer a suggestion in this regard, though I am sure it is not necessary. After this do not leave it to the poor local rationing boards all over the country to be the goats for government policy; because that is, I think, what they have been, although the minister may not have intended it in that way in the first instance. Actually what happened was that a certain amount of sugar in certain sections was given, and local ration boards—most of them volunteers—found the great body of housewives wanting to know what in the world the policy of the government was. First of all, they asked housewives to preserve plenty of fruit and vegetables, and then, in the final analysis, without any previous knowledge or any previous instructions from the government, they found that the local ration boards came along and said, "You are going to get only so much." That was not fair, and I submit the minister knows it was not fair.

If he wishes to have a suggestion—and he asked for it—then let us not have that situation occur again. I say that, because I have been informed by people in various townships where, with one township adjoining another, on account of the difference in the rationing in different districts, people in some townships got considerably less than people in others, although they were actually neighbours, and there was only an imaginary dividing line between them. In my opinion that kind of thing should not be repeated, so far as rationing is concerned. It caused untold concern to the housewives of Canada. I am not trying to exaggerate, nor am I trying to overemphasize the point that has been raised so many times.

In addition to that, another situation has arisen, namely, that sugar coupons were for five pounds each. In some instances they found that perhaps they were entitled to an odd amount. Instead of getting the full amount to which they were entitled, they found that the five-pound coupons gave them less than the amount to which they were entitled under the last regulations of the local boards.

If the minister wants suggestions—and he asked for them—I will offer him these. I am quite sure the minister will not make the mistake again, because if he is going to tell the housewives anything, then let him tell them at the beginning that there will be some limitation. Do not send out an advertisement all over the country asking them to do certain

things, without at the same time telling them that there will be a limitation, so far as sugar rationing is concerned. They do not mind, as long as they understand the general plan. But give them the general plan, and do not leave it to the local ration boards to carry the whole brunt of responsibility, and all the complaints that normally arise.

Mr. ILSLEY: When I said I would welcome suggestions on how to ration sugar I meant exactly that. I asked for suggestions on how to ration sugar for canning purposes. I have not got any from the leader of the opposition, although he did start in to tell me that he was going to give me some. All he did was to tell me two things I should not do again. That is the extent of his suggestions.

Mr. GRAYDON: Exactly.

Mr. ILSLEY: He does not touch the central problem at all, namely, that of how I should ration sugar for canning among the population of this country. He has suggested one thing, namely, Do not decentralize; run it from Ottawa. That is what he said.

Mr. GRAYDON: The minister suggested a short time ago that words should not be put in his mouth. I do not want that, either.

Mr. ILSLEY: Well, that is what it meant.

Mr. GRAYDON: Will the minister accept my word? Surely he has not followed my point.

Mr. ILSLEY: What is it, then?

Mr. GRAYDON: The point I was making is this: Actually what happened was that the central authority had one policy and sent it out to the housewives of Canada, and then regulations were sent out some months afterwards to the local ration boards saying there would be no limitation.

Mr. ILSLEY: No.

Mr. GRAYDON: Perhaps I should not say that, because that is not quite fair. I did not mean that; after all, I do not wish to be unfair. But I think it had the same effect; that is, they put no limitation upon what the housewife was going to get.

Mr. ILSLEY: Correct.

Mr. GRAYDON: They did not say a single thing in the advertisement. They just asked the housewives to plan to can vegetables and fruit during the coming season. Why, there was a lot of stuff in the newspapers, and I have no doubt there was plenty on the radio —although I did not have time to listen to it as much as I should have liked to. But word was sent across this country for the housewives of Canada to can, can, can! That is the point I am trying to make to the minister.

He asks about suggestions. Well, if I can make a suggestion as to what he should not do, why should I not? In effect, by telling him not to do it again, I am suggesting what he should do—and that is, that when he advertises next time—

Mr. ILSLEY: Oh!

Mr. GRAYDON: Now, then, the minister has asked for a suggestion—

Mr. ILSLEY: All right.

Mr. GRAYDON: When he advertises again, let him be frank with the housewives of Canada. Let him tell the people that when they do apply to the local ration board they may expect a definite limitation. Let him tell them that they are not likely to get more than fifteen pounds each in urban sections, and not more than twenty-five pounds each in rural sections.

Mr. ILSLEY: We did not say anything about fifteen pounds and twenty-five pounds.

Mr. GRAYDON: You did say something about fifteen pounds and twenty-five pounds, because I happen to have seen the instructions to the local ration boards. You did not tell the housewives that there would be any limitation. You said there would be fifteen pounds to urban and twenty-five pounds to rural residents, and by the time they got finished there was a hodge-podge and patchwork-quilt policy all over Canada which had been worked out for the housewives of this country. All the housewives are asking is fair treatment. They do not wish to be misled by the government. They will try to follow the instructions handed out by the local ration boards, and they will finally end up with a different result altogether.

Mr. ILSLEY: I just wish to come back to this: I have asked for suggestions as to how to ration sugar for canning purposes in Canada. I have got advice about how to advertise next year. But we have not reached the main question. We could do what they do in other countries. That is, we could give so much sugar per head of population for canning purposes. Then, if that were done, instead of being distributed on an applicant basis it would be distributed on a per capita basis over the whole population. We could do it in that way. It could be central, and it would be as rigid as it could possibly be. If that policy had been applied this year, the applicants would not have got as much per

capita, by a considerable amount, as they actually got under the system we did follow. But we could do what I have said.

Mr. GRAYDON: What does the minister mean when he says they would not have got as much?

Mr. ILSLEY: Because only about eighty per cent of the public applied. Under this other system 100 per cent would have got sugar, whether they applied for it or not. The point I am trying to make is—

Mr. GRAYDON: Is the minister going to give sugar to people who do not apply for it at all?

Mr. ILSLEY: They do that in other countries.

Mr. GRAYDON: I did not advocate that.

Mr. ILSLEY: Oh, no, the hon. member has not advocated anything.

Mr. GRAYDON: Oh, yes, I have.

Mr. ILSLEY: Well, if the hon. member has, it is purely negative. I am interested in constructive suggestions as to the best way of rationing sugar for canning purposes.

Mr. JOHNSTON (Bow River): Then do not go to the Conservative party for it.

Mr. ILSLEY: I do not care where I go for it. We did want as much canning to be done as could be done, and that was the reason for this joint advertising under the auspices of the wartime prices and trade board and the Department of Agriculture. We did that advertising because we wanted to conserve as much fruit as possible. Applications came in for 210,000,000 pounds of sugar, instead of the 106,000,000 pounds which had been used in the previous year. We sold the desirability of canning fruit; in fact, we oversold it. There is no doubt about that. Perhaps it would not have been necessary to encourage the people to can fruit. I do not think it would have made much difference if we had said, maybe you will not get the sugar you require.

Mr. GRAYDON: Will the minister do that again next year?

Mr. ILSLEY: Perhaps we will not.

Mr. GRAYDON: I do not think you should.

Mr. ILSLEY: Perhaps we will not. You correct your errors as you go along; everybody does that. But the main point is how to handle this rationing of sugar for canning purposes. Could we do what we did last year? Could we allow people to go into a grocery store and make out a slip, hand it to the grocer and get what they needed for canning purposes? That went on for two months, and we know the abuses that developed in that time were serious. It was quite obvious that that should not be repeated. Should we make a flat distribution for the whole population? Should we make a per capita distribution for all applicants? Should we advertise for applicants, try to get people to put in their applications in the spring, as we did this year? That was the real purpose of the advertising, to get persons to put in their applications early in the year so that we would know who wanted sugar and would be able to make as good a distribution as possible. Should we make each one the same as the others? I do not know about that. What we did was to give all the ration districts the same amount per capita of applicants.

Mr. GRAYDON: You gave each ration district the same amount, having in mind the number of applicants?

Mr. ILSLEY: That is right; the same amount per capita of the applicants. Some were rural districts predominantly; some were urban districts predominantly, but nearly all were both rural and urban. We said to the ration boards, "You know your local conditions; you have so much sugar; make the distribution in the most equitable way you can." Some of the ration boards went at it and made things rather difficult for themselves. They varied it as between rural districts and urban districts; they applied various rules which they thought were equitable, and went at it in that way. Others took an easier way. That was decentralization of authority. We have been told time after time that we should not try to run everything from Ottawa. We handed this over to 550 local ration boards, and that is the thing the hon. gentleman denounces us for doing.

Mr. GRAYDON: Just a minute; my hon. friend should not put words into my mouth again.

Mr. ILSLEY: Exactly; he said, do not pass the buck.

Mr. GRAYDON: I did not suggest anything like the minister says I did, and he knows that very well. I am trying to find out from the minister why certain sections are getting more sugar than others, and I think he ought to answer that question.

Mr. LOCKHART: I think I have given away about as much time as I should. While I cannot suggest anything that might be an

improvement on what has been done, I should like to point out how this has worked out in practice, and perhaps that will be considered as an indirect suggestion that will help in solving some of these difficulties. The parliamentary assistant to the minister said that a larger amount had to be given in rural areas than in urban areas.

Mr. ABBOTT: That was the suggestion made to each local ration board.

Mr. LOCKHART: There is no doubt that that was conscientiously carried out. I went upstairs a short time ago and got a file containing some evidence of how this has worked out. Later on I shall give the minister a memorandum about this. I am not criticizing the board. The minister has stated that he would try to do something should the season happen to turn quite hot, the fruit ripen quickly and it be found impossible to ship it to the larger centres. He said an effort would be made to prevent the tremendous amount of waste that might occur. As an illustration of what has occurred, in a strictly rural area the people were allowed ten pounds per person, and just a few miles away the people in two urban centres were allowed twelve and a half pounds per person. In that case it worked out just the opposite.

Mr. ABBOTT: Did everybody in the urban centre get twelve and a half pounds?

Mr. LOCKHART: That is the information I have. On a rural road running out of a smaller urban municipality a family of four got forty-five pounds, while the next-door family of five got fifty pounds. Some correction is necessary in cases of this kind.

Mr. ABBOTT: Were they in the same ration area?

Mr. LOCKHART: Definitely so; they were next-door neighbours. I have been making a study of this, or I would have drawn it to the minister's attention a week or so ago. These people say that they are not complaining about sugar rationing if it is necessary; but they do not want discrimination and desire to help to correct any discrimination. I think it should be realized that the people are trying to do their best. The hon. member for Westmount perhaps worked this out favourably in his own area, but—

Mr. ABBOTT: I had nothing to do with it.

Mr. LOCKHART: We are in the very heart of the fruit belt.

Mr. MacNICOL: Westmount is not in the fruit belt.

Mr. ABBOTT: We buy a lot of Niagara fruit.

[Mr. Lockhart.]

Mr. LOCKHART: Perhaps if I give the minister or his assistant this information, something can be worked out. If there is any sugar available, I again urge the minister to give it to the fruit centres if it is needed to prevent waste when fruit cannot be shipped to the larger urban centres.

Mr. CARDIFF: I want to congratulate the minister and the government upon trying to ration sugar and give approximately the same amount to each person. But the fact is that the farmer's wife must depend entirely on fruit that she cans herself, while the woman in the town or city, who perhaps never does any canning—at least a great many of them do not—is able to go down to the store and buy canned fruit. The woman on the farm must feed the threshing gang and the silo filling gang with what she puts up herself, and her own family must be provided for. The people on the farm have very few opportunities to go out for a meal, whereas those in the urban centres are able to do this. Just how this can be equalized is more than I can say, but it is something that should be given consideration. I do not think it would be fair to give everyone the same amount of sugar, because they would not use it; the country people should have a larger ration than the city people.

Mr. SHAW: In my opinion there is no fool-proof scheme for rationing anything and I do not propose to try to advance one. It is unfortunate that the housewives of Canada were given to understand that they would have an opportunity to can more fruit this year than they could last year. However, it did occur, and I sincerely trust that the government will endeavour to prevent a recurrence of that situation.

Has the minister contemplated the rationing of jams, jellies, marmalades and honey? I have always felt that, where scarcities occur, the fairest method of dealing with the distribution of the commodity is through rationing. We recognize, of course, that in war time the occurrence of shortages is inevitable; we are not complaining about that. But this is my personal experience. In my own town, a town of 1,200 people, the word "jam" or "jelly" or "honey" has become a forgotten part of our vocabulary. Yet I find that on going to other centres—we do not have to name them—we have no difficulty in procuring these articles in restaurants. We find that stores secure shipments periodically, although not all that their customers require. I should like to ask the minister if he has contemplated the rationing of these commodities, as tied right up with the sugar question.

Before I sit down I wish to say that I concur in the remarks of the hon. member for Melfort (Mr. Wright), the hon. member for Souris (Mr. Ross) and others with respect to the situation which the rural housewife finds herself in at the present time. However, if there is no sugar she cannot secure it. But I suggest that if at some time in the future it is discovered that you have extra sugar, you should endeavour to provide an additional supply for rural housewives, without giving additional consideration to people living in urban centres, because, after all, it is extremely difficult for a man and his wife and, let us say, three children to get along on the present sugar rationing, even without the making of pastries, whereas if I live in a town all I have to do is go to the bakery and procure these things, which, of course, the rural housewife is not able to obtain. So that, while I am not trying to tell the minister how to do it, I suggest that if he finds he has an extra amount of sugar he should try to make it available to housewives in the more remote areas.

In conclusion, may I ask what arrangement has been made to provide canneries or processors engaged in the canning of fruits with sugar?

Mr. ILSLEY: They will be given the sugar they require for light syrup for the canning of fruits.

Mr. SHAW: What quantity is expected, as compared with the volume of processing carried on last year? Do they intend to extend the volume of production?

Mr. ILSLEY: It will be lower, because the fruit crop will be lighter. There will not be as much fruit available.

Mr. WRIGHT: I should like to say a word in agreement with the speaker who has just taken his seat. If the minister feels that a larger allowance cannot be made to rural housewives, the sooner we have rationing of jams, jellies and marmalades the better, and that distribution should be made equitably across the dominion, so that people in the rural areas will be able to obtain their share of these particular goods. I know that rural stores in outlying areas have not these things on their shelves, and the people living in those areas are not able to obtain them.

Mr. STIRLING: It is much the same in urban centres.

Mr. FRASER (Peterborough West): I believe the fact that the Department of Munitions and Supply has taken the jams and jellies is what has made them so scarce in the stores.

Mr. STIRLING: You cannot get them here.

Mr. FRASER (Peterborough West): In Ottawa I went to seven grocery stores and could not get jam or marmalade.

Mr. SHAW: Of course that is in the one place. I did not mention Ottawa.

Mr. FRASER (Peterborough West): But it is the same all across the country. The shortage of jams and jellies in the stores is going to make it so much harder for the housewife, especially one who has a husband or son working in a munition plant, because she needs something with which to make sandwiches, and she cannot get meat.

The minister remarked last year that there were abuses. Last year, if you bought an eleven-quart basket of fruit you were allowed six pounds of sugar if you intended to make it into preserves, and eleven pounds if you intended to make it into jam. The government was at fault in this, because we did not need that much sugar, though in many instances the storekeepers would let you have it. Many a housewife would say, "I do not want eleven pounds; I want only five, or four." Now it is up to the government to find ways and means to have fruit made into preserves or jam with less sugar, and the sooner they get recipes out to the housewives the better for the government.

Mr. BLACKMORE: Would the minister tell us whether there is any sufficient reason why wholesale and systematic rationing should be more difficult in Canada than it is in Great Britain?

Mr. FRASER (Peterborough West): We live higher.

Mr. ILSLEY: I am informed that there are several reasons.

Mr. BLACKMORE: I think it would be worth while to have the minister discuss those reasons.

Mr. ILSLEY: All right, I will do so tomorrow.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

END OF VOLUME IV